

RESOLUTION NO. 2013 - ____

**A RESOLUTION OF THE TOWN OF THE CITY OF BLOOMINGTON, MCLEAN
COUNTY ILLINOIS,
ABATING TOWNSHIP PROPERTY TAX**

WHEREAS, the Town of the City of Bloomington (the “*Township*”) is a coterminous township pursuant to 60 ILCS 1/15-5 with full power and authority to perform any function pertaining to its government and affairs; and,

WHEREAS, tax abatement is a tool often used as an incentive to induce business retention, business expansion and new development resulting in community revitalization; and;

WHEREAS, the promise of financial assistance can make the difference in a developer’s decision regarding the location of a project or the eagerness to expand or initiate a project; and,

WHEREAS, Green Building, LLC, a Delaware limited liability company (the “*Developer*”) has requested real estate tax abatements on the part of the local taxing districts in order to undertake the renovation of a century old building located at 115 E. Monroe Street (the “*Building*”) in the area known as “Downtown Bloomington”; and,

WHEREAS, the Developer has advised the Township that without the real estate tax abatements as requested, this undertaking will not be economically viable; and,

WHEREAS, all parties believe the economic development impact of this proposed project will ultimately be advantageous to the community as a whole due to the capital investment by the Developer and the resulting job opportunity, neighborhood revitalization, and the increase in the tax base of all of the taxing districts; and,

WHEREAS, the Developer has submitted a plan for the redevelopment and rehabilitation of the Building, which has remained vacant for many years, to construct a multi-unit rental property with fifteen (15) residential units and commercial space on the ground floor (the “*Project*”); and,

WHEREAS, the current equalized assessed value of 115 East Monroe Street (the “*Subject Property*”) is described in *Exhibit A* attached hereto; and,

WHEREAS, Article 18 of the Illinois Revenue Code, 35 ILCS 200/18-165(a), provides that:

“Any taxing district upon a majority vote of its governing authority may, after the determination of the assessed valuation of its property, order the clerk of that county to abate any portion of its taxes on the following types of property:

- (1) *Commercial and industrial.*

(A) The property of any commercial or industrial firm. . . . The abatement shall not exceed a period of ten (10) years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed \$4,000,000[;]”

WHEREAS, the Developer has estimated that the Project shall require an investment of \$1,600,000, to undertake and complete the Project; and,

WHEREAS, the Developer has requested that the Township grant its request for a real estate tax abatement as permitted by Illinois law, provided that the Developer satisfy all of the terms and conditions as set forth in the Tax Abatement Agreement attached hereto and made a part hereof (the “*Agreement*”); and,

WHEREAS, the Township is willing to grant such real estate tax abatement to the Developer in accordance with the terms and conditions set forth in the Agreement.

NOW, THEREFORE, BE IT RESOLVED by the Township Board of the Town of the City of Bloomington, McLean County, Illinois, as follows:

Section 1. The Tax Abatement Agreement by and between the Township and Green Building, LLC, in the form attached hereto, is hereby approved and the Township Supervision is hereby authorized and directed to execute said Agreement on behalf of the Township.

Section 2. The McLean County Clerk is hereby ordered to abate that portion of real estate taxes levied by the Township against the Subject Property over and above the sum of \$131.90 commencing with the 2015 taxes payable in 2016; the 2016 taxes payable in 2017; the 2017 taxes payable in 2018; the 2018 taxes payable in 2019; and, the 2019 taxes payable in 2020; subject, however, to cancellation and termination upon written notice from the Township Clerk of a default by the Developer under the Tax Abatement Agreement.

Section 3. The real estate tax abatement provided in Section Two shall terminate immediately upon written notice from the Township Clerk that, at any time after December 31, 2014, a default has occurred on the part of the Developer which has not been cured.

Section 4. Any statutory reference contained herein shall include any and all amendments thereto and replacements thereof.

Section 5. This Resolution shall be in full force and effect upon its passage, approval, and publication as provided by law.

ADOPTED by the Township Board of the Town of City of Bloomington, McLean County, Illinois, this ____th day of July, 2013.

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED:

Deborah L. Skillrud
Township Supervisor

ATTEST:

Tracey Covert
Township Clerk

TAX ABATEMENT AGREEMENT

THIS TAX ABATEMENT AGREEMENT (the “*Agreement*”) is made this ____ day of _____, 2013, between the Board of Trustees of the City of Bloomington Township, (the “Board of Trustees”) and Green Building, LLC (the “*Developer*”), a Delaware limited liability company.

WHEREAS, the Board of Trustees is a local taxing body; and,

WHEREAS, tax abatement is a tool often used as an incentive to induce business retention, business expansion and new development resulting in community revitalization; and;

WHEREAS, the promise of financial assistance can make the difference in a developer’s decision regarding the location of a project or the eagerness to expand or initiate a project; and,

WHEREAS, Green Building, LLC, a Delaware limited liability company (the “*Developer*”) has requested real estate tax abatements on the part of the local taxing districts in order to undertake the renovation of a century old building located at 115 E. Monroe Street (the “*Building*”) in the area known as “Downtown Bloomington”; and,

WHEREAS, the Developer has advised the Board of Trustees that without the real estate tax abatements as requested, this undertaking will not be economically viable; and,

WHEREAS, all parties believe the economic development impact of this proposed project will ultimately be advantageous to the community as a whole due to the capital investment by the Developer and the resulting job opportunity, neighborhood revitalization, and the increase in the tax base of all of the taxing districts; and,

WHEREAS, the Developer has submitted a plan for the redevelopment and rehabilitation of the Building, which has remained vacant for many years, to construct a multi-unit rental property with fifteen (15) residential units and commercial space on the ground floor (the “*Project*”); and,

WHEREAS, the current equalized assessed value of 115 East Monroe Street (the “*Subject Property*”) is described in *Exhibit A* attached hereto; and,

WHEREAS, the Subject Property is identified as tax parcel 21-04-194-006 (the “*Tax Parcel*”), which is 0.18854 acres in size; and,

WHEREAS, for purposes of this Agreement, the “Base EAV” of the Subject Property will be deemed to be the 2011 assessed value of the Tax Parcel; and,

WHEREAS, Article 18 of the Illinois Revenue Code, 35 ILCS 200/18-165(a), provides that:

“Any taxing district upon a majority vote of its governing authority may, after the determination of the assessed valuation of its property, order the clerk of that county to abate any portion of its taxes on the following types of property:

Commercial and industrial.

The property of any commercial or industrial firm. . . . The abatement shall not exceed a period of ten (10) years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed \$4,000,000[;]”

WHEREAS, the Developer has estimated that the Project shall require \$1,600,000 of investment, including the cost of acquisition, to undertake and complete the Project; and,

WHEREAS, the Developer has requested that the Board of Trustees grant its request for a real estate tax abatement as permitted by Illinois law, provided that the

Developer satisfy all of the terms and conditions as set forth in the Tax Abatement Agreement attached hereto and made a part hereof (the “*Agreement*”); and,

WHEREAS, the Board of Trustees is willing to grant such real estate tax abatement to the Developer in accordance with the terms and conditions set forth in the Agreement.

NOW, THEREFORE, IN CONSIDERATION of the mutual undertakings herein contained and other valuable consideration, the parties hereby agree as follows:

Section 1. The Board of Trustees hereby agrees to adopt a Resolution, in the form attached, directing the County Clerk to abate that portion of the real estate taxes levied by the City of Bloomington Township against the Subject Property over and above the sum of \$131.90. Said abatement shall be for a period of five (5) years, as stated in the Resolution. The Board of Trustees agrees to adopt and file any other documents that may be required from time to time to effectuate said abatements, including (*if necessary*) annual abatement resolutions.

Section 2. The Developer hereby agrees, on or before December 14, 2014, to redevelop and reconstruct the building located on the Subject Property to provide a multi-family rental facility with 15 residential units and commercial space on the ground floor (the “*Project*”) for a total investment of no less than \$1,600,000.

Section 3. The Developer hereby covenants and agrees to submit to the City of Bloomington on or before February 1, 2015, the following items, to-wit: paid invoices (including statements at least monthly for development and general contractor fees), bills, contracts (including the agreement of the parties relative to acquisition of the Subject

Property), lien waivers or other evidence as may be requested by the City to demonstrate an investment of no less than \$1,600,000 to complete the Project.

Section 4. This Agreement is subject to termination by the Board of Trustees after sixty (60) days written notice at any time during the term of this Agreement:

1. The Developer has failed to demonstrate that it has invested at least \$1,600,000 for improvements related to the Subject Property, including, without limitation, acquisition costs, site work, building construction, costs and fees, and equipment (purchased and installed).
2. The Developer has failed to complete the Project on or before December 31, 2014.

Section 5. The Developer covenants and agrees, warrants and represents that it shall comply with all applicable federal, state and local laws, rules, regulations, ordinances, charters, statutes, codes, orders, policies and procedures relating to the Subject Property.

Section 6. For so long as this Agreement shall remain in full force and effect, the Developer agrees to provide access to and authorize inspection of the Subject Property upon request of the City of Bloomington to ensure that the improvements are made according to the specifications and conditions of this Agreement.

Section 7. In the event this Agreement is terminated due to the Developer's breach of any provision of this Agreement, then all taxes abated by the City of Bloomington Township pursuant to this Agreement shall be repaid to the City of Bloomington Township within thirty (30) days of Board of Trustee's request therefore. Additionally, the Board of Trustees shall direct the County Clerk not abate any of the City of Bloomington Township's levy of property taxes of the Subject Property.

Section 8. The Board of Trustees may extend the date set forth in *Section 3 a.1* of this Agreement, if the Developer reasonably demonstrates the necessity for any such extension(s).

Section 9. The Agreement constitutes the entire contract between the parties hereto, and no oral statements or promises and no understanding not embodied in this writing shall be valid or binding. Any modification of this Agreement shall be in writing and executed with the same formality as this Agreement.

Section 10. This Agreement shall be governed by the laws of the State of Illinois. It is agreed by the parties that if any party commences suit, action or any other legal proceeding against the other, the venue shall be the Circuit Court of McLean County, Illinois. Each prevailing party in such suit, action, or proceeding has a right to recover from any adverse party, its attorney's fees, court costs, and other costs of litigation.

Section 11. Any statutory reference contained herein shall include any and all amendments thereto and replacements thereof.

Section 12. Any notice required under this Agreement shall be given to the respective parties as follows:

To the Developer:
Green Building, LLC
Attn: Robert J. Vericella
125 South Bellemont
Bloomington, Illinois 61701

To the Board of Trustees:
City of Bloomington Township
Attn: Deb Skillrud, Supervisor
607 S. Gridley Street, Ste B
Bloomington, Illinois 61701

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Bloomington, Illinois.

City of Bloomington Township, a local taxing body

By: _____
Township Supervisor

Attest:

City Clerk

Date

Green Building, LLC, a Delaware limited liability company

By: _____

Attest:

Date

Parcel Information Search System

Display Control

NOTE: If you plan on printing information, it is best to click the Printer Friendly button before you select items in the Display Control.

- | | | | |
|---|---|--|--|
| <input checked="" type="checkbox"/> Assessment History | <input type="checkbox"/> Forfeiture Information | <input type="checkbox"/> Parcel Photos | <input type="checkbox"/> Tax Sale and Redemption |
| <input checked="" type="checkbox"/> Billing and Payment | <input checked="" type="checkbox"/> General Information | <input type="checkbox"/> Soil Survey Information | <input type="checkbox"/> Taxing Body |
| <input type="checkbox"/> Exemption History | <input type="checkbox"/> GIS Map Information | | |

Check the items you want to display and click "Update Display".
If an item is greyed out, no information is available for that section.

Property Details

Parcel Number	21-04-194-006	Notice Mailing Address	
Township	CITY OF BLOOMINGTON	107 HILLTOP RD	
Property Class	0060 - Improved Commercial	BLOOMINGTON IL 61701	
Tax Status	Taxable	Change of Address Form	
Acres	0.0000	Property Address	
Tax Code	4001	Click the button below for Property Address information.	
Legal Description	SUBN LOT 1,2,3,4,5&6 ORIG TOWN LOT 1,4,5 &8	<input type="button" value="Map The Selected Parcel"/>	
Direct Link to This Parcel	http://webapp.mcleancountyil.gov/webapps/Tax/taxparcelinfo.aspx?parcel=2104194006	Tax Bill Mailing Address	
		Same as Notice Address	

Parcel Assessment Information

Year	Farm Land	Farm Building	Land/Lot	Buildings	Total
2012 Payable in 2013	\$0.00	\$0.00	\$18,297.00	\$32,360.00	\$50,657.00
2011 Payable in 2012	\$0.00	\$0.00	\$18,861.00	\$33,359.00	\$52,220.00
2010 Payable in 2011	\$0.00	\$0.00	\$18,861.00	\$33,359.00	\$52,220.00
2009 Payable in 2010	\$0.00	\$0.00	\$18,861.00	\$33,359.00	\$52,220.00
2008 Payable in 2009	\$0.00	\$0.00	\$18,455.00	\$32,641.00	\$51,096.00
2007 Payable in 2008	\$0.00	\$0.00	\$17,996.00	\$31,829.00	\$49,825.00
2006 Payable in 2007	\$0.00	\$0.00	\$17,212.00	\$30,443.00	\$47,655.00
2005 Payable in 2006	\$0.00	\$0.00	\$16,858.00	\$29,817.00	\$46,675.00
2004 Payable in 2005	\$0.00	\$0.00	\$16,367.00	\$28,949.00	\$45,316.00
2003 Payable in 2004	\$0.00	\$0.00	\$15,728.00	\$27,820.00	\$43,548.00
2002 Payable in 2003	\$0.00	\$0.00	\$15,728.00	\$27,820.00	\$43,548.00
2001 Payable in 2002	\$0.00	\$0.00	\$15,106.00	\$26,719.00	\$41,825.00

Parcel Billing Information

Select Tax Year

- 2012 Payable in 2013
 2009 Payable in 2010
 2006 Payable in 2007
 2011 Payable in 2012
 2008 Payable in 2009
 2005 Payable in 2006
 2010 Payable in 2011
 2007 Payable in 2008
 2004 Payable in 2005

	1st Installment	2nd Installment	Total
Due Date	June 3, 2013	September 3, 2013	
Taxes	\$1,992.45	\$1,992.45	\$3,984.90
Drainage	\$0.00	\$0.00	\$0.00
Interest	\$0.00	\$0.00	\$0.00
Fees	\$0.00	\$0.00	\$0.00
Amount Paid	\$1,992.45	\$0.00	\$1,992.45
Date Paid	June 7, 2013		
Amount Due	\$0.00	\$1,992.45	\$1,992.45

Payment Options

- Pay Online**
- Print Payment Coupons**
- Pay by Phone**
- Sign Up for Direct Debit**
- Other Payment Options**

IMPORTANT CONTACT INFORMATION

McLean County Treasurer & Tax Collector
 309-888-5180 Email: treasurer@mcleancountyil.gov
 General Tax Questions; Real Estate & Mobile Home
 Tax Collection & Payment
 Options; Distribution; Senior Deferral Program;
 Mobile Home Tax Certs

McLean County Supervisor of Assessments
 309-888-5130 Email: assessor@mcleancountyil.gov
 Assessment Questions; All Exemption Questions &
 Applications; Real Estate
 Bill Name and Address Changes

McLean County Clerk
 309-888-5190 Email:
countyclerk@mcleancountyil.gov
 Sold Real Estate Tax Redemptions; Mobile Home
 Exemptions; Mobile Home
 Bill Name and Address Changes

Illinois Department on Aging
 800-624-2459 Email: www.state.il.us/aging
 Illinois Circuit Breaker/Illinois Cares Rx; Senior
 Citizen & Disabled Persons
 Pharmaceutical Assistance

**CALENDAR OF EVENTS FOR TAX YEAR 2012
 PAYABLE 2013**

- 04/26/13**
 Tax bills released & mailed
- 06/03/13**
 1ST Installment Due Date (Per 35 ILCS 200/21-15,
 Interest will be applied at 1.5% per month on
 payments made after this date)
- 09/03/13**
 2nd Installment Due Date (Per 35 ILCS 200/21-15,
 Interest will be applied at 1.5% per month on
 payments made after this date)
- 10/01/13**
 Last day to pay before certified funds are required for
 payment (Per 35 ILCS 200/20-25)
- 10/10/13**
 Last day to pay to avoid publication of delinquent
 taxes in newspaper (Per 35 ILCS 200/21-110).
 Certified funds required
- 10/31/13**
 Last day to pay to avoid tax sale. Certified funds must

be received in the Treasurer's Office before 4:30 pm.
(Per 35 ILCS 200/21-165)

11/01/13

Property tax sale begins 9 am. (Per 35 ILCS 200/21-205)

Any installment that is postmarked or paid after the due date will be assessed an interest penalty of 1 ½% per month per 35 ILCS 200/21-15 of the Property Tax Code. Additional costs will be due as applicable.

Rebecca C. McNeil

McLean County Treasurer & Tax Collector
115 E. Washington Street, Rm M101 Government Center
Bloomington, IL 61702-2400
Phone (309) 888-5180
Fax (309) 888-5176
Office Hours: 8:00 A.M. – 4:30 P.M. Monday – Friday
Email: treasurer@mcleancountyil.gov

FOR CITY OF BLOOMINGTON TOWNSHIP: July 22, 2013

SUBJECT: Green Building, LLC Property Tax Abatement

RECOMMENDATION/MOTION: Recommendation to the City of Bloomington Township that the proposed property tax abatement be approved, the Resolution adopted and the Agreement executed.

BACKGROUND: Green Building, LLC is a local development team which has decades of experience in the Bloomington-Normal community. The project in question would rehabilitate an existing structure located at 115 East Monroe in Downtown Bloomington.

This project would serve two primary functions. First, it would serve as a 15-unit residential apartment building for current and prospective residents of the Downtown community; a use that is currently in high demand as rental occupancy sits at 100% (DBA) and businesses are increasing the number of short-term employees working in the Downtown area. Secondly, the project site would serve to provide enhanced retail and restaurant space (2 units) for the commercial sector.

In all, this revitalization project would invest a minimum of \$1.6 million into taxable property in Bloomington and would serve to revitalize an existing structure in the Downtown community, an area highlighted on the City's Economic Development Target Area Map. In addition to the rehabilitation of an existing structure in a focus area of our community, a few elements of particular interest in regards to this project include its compatible design and occupancy, a synergy with the concepts outlined in the forthcoming Downtown Plan and a focus on environmentally sustainable outcomes.

In order to make the project financially feasible and thus complete the renovation, Green Building is requesting a freeze on real estate taxes owed on the site in question. The freeze, if approved by the taxing bodies, would allow Green Building to pay a portion of the new increment of property tax during each of the five (5) years while the company invests into the site. After the period of five (5) years is over, the company's taxes will rise to take into account the full value of the new investment. At that point, all taxing bodies would begin to collect the full amount of post-investment taxes.

COMMUNITY GROUPS/INTERESTED PERSONS CONTACTED: National Development Council, Economic Development Council for the Bloomington-Normal Area, Downtown Bloomington Association, City of Bloomington, Bloomington School District 87, McLean

County Illinois Finance Committee, Assessor for the Town of the City of Bloomington, McLean County Chamber of Commerce.

FINANCIAL IMPACT: According to the National Development Council, which conducted a full financial analysis of the Developers and the project in question (including a three year review of personal and business financial statements), this incentive is necessary in order to make the project financially viable. The company has leveraged existing financial resources and programs, including the Downtown Bloomington Enterprise Zone (a \$92,540 value) and the City of Bloomington Harriet Fuller Rust Façade Grant Program (a \$25,000 value), but a financial gap still exists. As proposed, this arrangement serves to strengthen the projects financial position and by way fill the identified financial gap.

As structured, the proposed property tax abatement agreement protects the taxing bodies by guaranteeing that they will collect all existing pre-project level of property taxes *plus* an additional increment equal to 76.28592% of the pre-project amount. For example, the City of Bloomington Township collected \$74.82 in 2011; therefore, in the first year of the tax abatement, the Township will collect the pre-project amount of \$74.82 *plus* an additional \$57.08 of the new increment for a total of \$131.90 to be collected by the Township. This will occur during each of the five (5) years during the tax abatement agreement. Upon completion of the five (5) year agreement, each taxing body will collect the full amount of taxes under the new assessment. For example, the City of Bloomington Township will go from collecting \$74.82 in the current year, to \$131.90 during each of the five (5) years under the tax abatement agreement and \$616.10 each year following the abatement. (An illustration of the incentive structure is included in the Financial Impact section of this memo.) Again, this approach would allow Green Building to close its financial gap while also maintaining an adequate market return in the initial years of the project.

It is important to note that the amount of abated taxes will vary from taxing body to taxing body, based on the size of each taxing body's specific levy (an estimate of said breakdown is provided within the Financial Impact section of this memo). As each taxing body will have their own tax abatement agreement, if one or more taxing bodies choose not to participate, this will have no effect whatsoever on taxing bodies that do choose to participate.

The tables below demonstrate the potential value of the capital investment and related property tax abatement as proposed for each of the taxing bodies affecting the parcel.

Property Assessment Estimate for Work to be Completed

Table and information provided by the Assessor for the Town of the City of Bloomington.

115 E MONROE	2011 ASSESSMENT	NEW ASSESSMENT
	21-04-194-006	@ COMPLETION OF WORK
LAND	\$18,861	\$18,861
IMPROVEMENTS	\$33,359	\$411,139
TOTAL	\$52,220	\$430,000

