

SECTION 2 [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2025

Name of Redevelopment Project Area:

EMPIRE STREET CORRIDOR

Primary Use of Redevelopment Project Area*: Combination/Mixed
*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.
If "Combination/Mixed" List Component Types:
Under which section of the Illinois Municipal Code was the Redevelopment Project Area designated? (check one): Tax Increment Allocation Redevelopment Act x Industrial Jobs Recovery Law

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY 2022, were there any amendments, to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (Labeled Attachment A). For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment, enactment or extension, and a copy of the redevelopment plan (Labeled Attachment A).	x	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (Labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (Labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (Labeled Attachment D).		x
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (Labeled Attachment E).		x
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (Labeled Attachment F).	x	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (Labeled Attachment G).	x	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (Labeled Attachment H).	x	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached (Labeled Attachment J).	x	
An analysis prepared by a financial advisor or underwriter, chosen by the municipality , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; and actual debt service. [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (Labeled Attachment J).	x	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose audited financial statements of the special tax allocation fund (Labeled Attachment K).		x
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (Labeled Attachment L).		x
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (Labeled Attachment M).		x
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (Labeled Attachment N).	x	
Letter from the Mayor/Village President designating the municipality's TIF Administrator. Must include the phone number and email address of the designated party (Labeled Attachment O.)		x

SECTION 3.1 [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

FY 2025

Name of Redevelopment Project Area:

EMPIRE STREET CORRIDOR

Provide an analysis of the special tax allocation fund.

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 803,235

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 549,211	\$ 3,124,938	96%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 74,799	\$ 127,542	4%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

All Amount Deposited in Special Tax Allocation Fund \$ 624,010

Cumulative Total Revenues/Cash Receipts \$ 3,252,480 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 217,424

Transfers to Municipal Sources

Distribution of Surplus

Total Expenditures/Disbursements \$ 217,424

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 406,586

Previous Year Adjustment (Explain Below)

FUND BALANCE, END OF REPORTING PERIOD* \$ 1,209,821

* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

SECTION 3.2 A [65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c)]

FY 2025

Name of Redevelopment Project Area:

EMPIRE STREET CORRIDOR

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

PAGE 1

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Outside Legal Counsel (Ottsenm DiNolfo Hasenbalg & Castaldo, LTD.	\$ 1,610	
		\$ 1,610
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
BTBloomington	\$ 215,814	
		\$ 215,814
6. Costs of the constructuion of public works or improvements.		
		\$ -

SECTION 3.3 [65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)]

FY 2025

Name of Redevelopment Project Area:

EMPIRE STREET CORRIDOR

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source

FUND BALANCE BY SOURCE

\$ 1,209,821

1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
Total Amount Designated for Obligations	\$ -	\$ -

2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
COLONIAL PLAZA/EMPIRE CROSSING/BT BLOOMINGTON	\$	1,809,992
BAYMONT INN /BEST WESTERN PLUS	\$	675,000
IAA DRIVE/FAIRWAY DRIVE PROJECT	\$	640,137
LOCUST ST. AND COLTON ST. TRAFFIC SIGNAL	\$	20,000
IAA DRIVE BUS STOP IMPROVEMENT	\$	135,000
Total Amount Designated for Project Costs	\$	3,280,129

TOTAL AMOUNT DESIGNATED	\$ 3,280,129
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SURPLUS/(DEFICIT)	\$ (2,070,308)
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SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2025

Name of Redevelopment Project Area:

EMPIRE STREET CORRIDOR

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X

Indicate an 'X' if no property was acquired by the municipality within the redevelopment project area.

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2025

Name of Redevelopment Project Area:

EMPIRE STREET CORRIDOR

PAGE 1

Page 1 MUST be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.

Select **ONE** of the following by indicating an **'X'**:

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a and 2b.)	X
2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment plan:	6
2b. The NUMBER of new projects undertaken in fiscal year 2022 or any fiscal year thereafter, within the Redevelopment Project Area.	2

LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 17,965,720	\$ -	\$ 42,000,000
Public Investment Undertaken	\$ 2,806,236	\$ 217,351	\$ 3,186,356
Ratio of Private/Public Investment	6 39/97		13 2/11

Project 1 Name: COLONIAL PLAZA/EMPIRE CROSSING, 1608 E. EMPIRE ST.

Private Investment Undertaken (See Instructions)	\$ 11,865,720		
Public Investment Undertaken	\$ 1,658,395	\$ 217,351	\$ 450,286
Ratio of Private/Public Investment	7 11/71		0

Project 2 Name: Baymont inn/best western plus, 604 1/2 IAA drive

Private Investment Undertaken (See Instructions)	\$ 6,100,000		
Public Investment Undertaken	\$ 393,237	\$ -	\$ 208,281
Ratio of Private/Public Investment	15 21/41		0

Project 3 Name: IAA DRIVE & FAIRWAY DRIVE IMPROVEMENT PROJECT

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 640,137		\$ 640,137
Ratio of Private/Public Investment	0		0

Project 4 Name: LOCUST ST & COLTON ST TRAFFIC SIGNAL BOX RELOCATION

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 20,000		\$ 20,000
Ratio of Private/Public Investment	0		0

Project 5 Name: :IAA DRIVE BUS STOP IMPROVEMENT

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 94,467	\$ -	\$ 94,467
Ratio of Private/Public Investment	0		0

Project 6 Name: HOLLADAY PROPERTIES MULTI-UNIT HOUSING DEVELOPMENT

Private Investment Undertaken (See Instructions)	\$ -		\$ 42,000,000
Public Investment Undertaken	\$ -		\$ 2,527,789
Ratio of Private/Public Investment	0		16 8/13

SECTION 7 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2025

Name of Redevelopment Project Area:

EMPIRE STREET CORRIDOR

Provide a general description of the redevelopment project area using only major boundaries.

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

ATTACHMENT B

CITY OF BLOOMINGTON
Unit Code 064/025/30

CERTIFICATION OF CHIEF EXECUTIVE OFFICER
DOWNTOWN EMPIRE STREET CORRIDOR TIF DISTRICT

I, Dan Brady, Mayor of the City of Bloomington, McLean County, Illinois, certify that the City has complied with all of the requirements of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) during the fiscal year ending April 30, 2025, in connection with the administration of the Tax Increment Project Area for the City's Empire Street Corridor Tax Increment Financing District.



Dan Brady, Mayor

ATTACHMENT C



Ottosen DiNolfo
Hasenbalg & Castaldo, Ltd.

2441 Warrenville Road, Suite 310, Lisle, IL 60532

Phone 630.682.0085 ♦ Fax 630.682.0788 ♦ www.ottosenlaw.com

Megan Lamb
Attorney

Direct 331.212.8709
mlamb@ottosenlaw.com

November 5, 2025

Susana A. Mendoza, State Comptroller
State of Illinois Building
100 West Randolph Street
Suite 15-500
Chicago, Illinois 60601

Dear Ms. Mendoza,

I have acted as Special Counsel for the City of Bloomington, McLean County, Illinois, in connection with the administration of the Empire Street Corridor Tax Increment Redevelopment Project Area.

I have reviewed all of the information provided to me by the City's Economic Development Department, and to the best of my knowledge and belief find that the City has conformed with all of the applicable provisions of the *Tax Increment Allocation Redevelopment Act*, 60 ILCS 5/11-74.4-1, *et seq.*, for the fiscal year ending April 30, 2025.

Sincerely,

OTTOSEN, DINOLFO, HASENBALG & CASTALDO, LTD.

MEGAN LAMB

ATTACHMENT C

Attachment D

City of Bloomington Empire Street Corridor TIF District Activities Statement (May 1, 2024 – April 30, 2025)

Activities Statement

The following activities were undertaken in furtherance of the objectives of the Empire Street Corridor Redevelopment Plan:

1. On March 14, 2016 the City Council adopted Ordinance 2016-18 approving a redevelopment agreement with BT Bloomington LLC (BET Investments) to support the renovation of the Colonial Plaza shopping center (now known as Empire Crossing). Per the agreement, the Developer is to receive \$4 million in incremental property tax and sales tax rebates to support the Developer's \$11,865,720 investment in the shopping center.

- During calendar year 2018, the sales of the new to the city retailers exceeded the minimum annual gross sales requirement of \$20 million. Therefore, during FY 2019, the City issued a rebate payment of \$244,802 to the Developer constituting 75% of the incremental property taxes paid by the Developer to the McLean County Treasurer for tax year 2017 payable 2018. This rebate payment (the first under the agreement) reduced the outstanding balance owed to the Developer by the TIF Fund to \$1,565,190. Also in FY 2019, coinciding with the rebate of incremental property taxes, the City issued a rebate payment to the Developer of \$228,748 constituting 33.33% of the City's local sales taxes (non-TIF funds) generated by the new to the city retailers during calendar year 2018. This FY 2019 rebate payment of sales taxes (the first under the agreement) reduced the outstanding balance of sales tax owed to the Developer by the City to \$1,961,260. Due to the COVID-19 pandemic, on March 20, 2020, Governor Pritzker issued Executive Order 2020-10 directing that all non-essential business and operations must cease, aside from minimum basic operations. As a result of the executive order, the new to the city retailers (Dick's Sporting Goods, HomeGoods, DSW Shoes, Five Below, Orange Theory Fitness, and Carter's OshKosh B'Gosh) and the existing non-essential retailers in the shopping center temporarily closed and were not permitted to reopen until May 29th (operating at reduced capacity and with other restrictions).
- Due to the delay by the Illinois Department of Revenue in reporting sales tax data to the City, it was not known by the City until March 2020 that, during calendar year 2019, the sales of the new to the city retailers did not achieve the minimum annual gross sales requirement of \$20 million. After obtaining the 2019 sales data, the City issued a notice of default to the Developer as called for under the agreement. In July 2020, as a result of negotiations between City staff and the Developer, the City and the Developer agreed to amend the 2016 agreement to take into account the effects of the COVID-19 pandemic which began to impact retail sales in February/March 2020. As agreed to in the amendment, the City did not issue a rebate of incremental property tax or sales taxes for calendar year 2019 sales (FY 2020). The City will continue to honor the original terms of the agreement and make rebate payments annually to the developer, but only in years when the minimum annual gross sales requirement is achieved. The Developer agreed to

forgo its right to claim Force Majeure throughout the term of the redevelopment agreement.

2. On October 24, 2016, the City Council adopted Ordinance 2016-117 approving a redevelopment agreement between the City and Magnus Hotels LLC (Milan Hotels) to support the redevelopment of the then distressed hotel property at 604 ½ IAA Drive. During FY 2019, the redevelopment of the former Baymont Inn into a Best Western Plus was completed with a certificate of occupancy being issued on August 1, 2018. Per the agreement, the Developer is to receive rebates totaling \$675,000 in incremental property tax and city hotel / motel tax rebates to support the Developer's \$6.1 million investment in the hotel property. During FY 2020, the City issued a rebate payment of \$939.95 to the Developer constituting 75% of the incremental property taxes paid by the Developer to the McLean County Treasurer for tax year 2017 payable 2018. Coinciding with the rebate of incremental property taxes, the City issued a rebate payment to the Developer of \$53,212.02 constituting 100% of the City's hotel / motel taxes (non-TIF funds) generated by Developer for the months of December 2018 through October 2019. Combined, these rebate payments (the second under the agreement) reduce the outstanding balance owed to the Developer by the TIF Fund to \$609,757.10.
3. On April 9, 2018, the City Council adopted Resolution 2018-22 designating a portion of the IAA Drive and Fairway Drive improvement projects as TIF-Eligible expenses. Both of these projects further the objectives of the TIF Redevelopment Plan to “upgrade public works improvements” and “provide for safe and efficient traffic circulation within the Area” (p. 27-28). Upon the City's completion of both projects, it was determined that the total TIF eligible costs were \$640,137.40.
 - During FY 2019, the TIF Fund reimbursed the City's Capital Improvement Fund \$141,994 for the portion of the project that was completed during FY 2019.
 - During FY 2020, the TIF Fund reimbursed the City's Asphalt & Concrete Fund \$328,784.
 - During FY 2021, the TIF Fund reimbursed the City's Asphalt & Concrete Fund the remaining balance of \$169,359.
4. On August 27, 2018, the City Council adopted Resolution 2018-49 designating the project to relocate the traffic control box at the northeast corner of Locust Street and Colton Street as a TIF-Eligible expense. The project was completed in November 2018 for approximately \$20,000.
5. On June 27, 2022, the City Council passed Resolution 2022-24 allocating an amount not to exceed \$135,000 in TIF funds to the Connect Transit project to install new ADA accessible landing pads, accessible ramps, shelters with solar lighting, public sidewalks, and other safety enhancements, all in the right of way along IAA Drive. The project is expected to be completed in FY24 and the funds are expected to be dispersed in reimbursement to Connect Transit in FY24.
6. In April 2025, Holladay Properties received approval from the Bloomington City Council for a new apartment complex to be built on the former Verizon site at 1312 E. Empire Street. This project will add 210 market-rate units in seven buildings and includes amenities like green space and a dog park
7. City staff continued to market opportunities available within the TIF District.

Additional information about the Empire Street Corridor TIF District can be found at <https://www.bloomingtonil.gov/TIF>

ATTACHMENT E

REDEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF BLOOMINGTON, ILLINOIS AND HP BLOOMINGTON EMPIRE, LLC.

THIS REDEVELOPMENT AGREEMENT is entered into this ____ day of _____ 2025, by and between the City of Bloomington, Illinois, an Illinois municipal corporation (the “*City*”), and HP Bloomington Empire, LLC, an Indiana limited liability company qualified to do business in the State of Illinois as a foreign limited liability company (the “*Developer*”).

PREAMBLES

WHEREAS, the City is a duly organized and validly existing home-rule municipality pursuant to Article VII, Section 6(a) of the 1970 Constitution of the State of Illinois and as such, may exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, the Mayor and City Council of the City (the “*Corporate Authorities*”) have acknowledged that one of the primary goals of local government is to promote the health, safety and welfare of its citizens by encouraging private investment in industry, business, and housing in order to enhance the City’s tax base, ameliorate blight and provide job opportunities for its residents; and

WHEREAS, the Corporate Authorities have also acknowledged that in order to accomplish its goal to promote the health, safety and welfare of its citizens, there is often a need for economic assistance to address some of the extraordinary measures required to accomplish private investment in industry, business and housing; and

WHEREAS, the City has identified certain areas within its municipal boundaries where the existence of certain factors, such as obsolescence, deteriorating buildings, and deteriorating site

improvements, if not addressed, shall result in a disproportionate expenditure of public funds, decline of the City's tax base and loss of job opportunity for its residents; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1, *et seq.*, as from time to time amended (the "*TIF Act*") and the City's authority and powers as a home rule unit, the Corporate Authorities are empowered to undertake the development and redevelopment of designated areas within its municipal limits in which existing conditions permit such areas to be classified as a "conservation area" or as a "blighted area" as defined in Section 11.74.4-3 of the TIF Act; and

WHEREAS, on August 24, 2015, the Corporate Authorities authorized Peckham Guyton Alberts & Viets ("*PGAV*") to conduct a feasibility study within the corporate boundaries of the City (the "*Feasibility Study*") in order to determine the eligibility of a specific area for designation as a "redevelopment project area" (the "*Project Area*") pursuant to the provisions of the TIF Act; and

WHEREAS, as a result of the Feasibility Study, PGAV determined the Project Area qualifies as a "blighted area" under the TIF Act and, therefore, as directed by the Corporate Authorities, proceeded to prepare a redevelopment plan to set the goals and objectives of the City and all other matters required by the TIF Act to address and eliminate the blighting factors which qualified the Project Area as a blighted area; and

WHEREAS, on February 22, 2016, the Corporate Authorities approved the Tax Increment Financing Redevelopment Plan prepared by PGAV and designated the "Empire Street Corridor Redevelopment Project Area" as a Redevelopment Project Area pursuant to the TIF Act (Ordinance Nos. 2016-08, 2016-09, and 2016-10); and

WHEREAS, the Project Area includes real estate located in the vicinity of the Old Verizon Site, commonly known as 1312 E. Empire Street, Bloomington, Illinois, and identified by parcel index

number 14-34-480-030 (the “*Subject Property*”) as shown on the map attached hereto in Exhibit A; and

WHEREAS, the Developer is looking to acquire the Subject Property and intends to develop the Subject Property into a multi-family community substantially in the form depicted on the Site Plan dated March 16, 2025 and attached hereto as *Exhibit B* (the “Project”); and

WHEREAS, in order to induce the Developer to proceed with the Project, the City is prepared to make commitments to the Developer, and, upon satisfaction of commitments made by the Developer, to reimburse the Developer for certain costs incurred in connection with improvements to the Subject Property in completing the Project from revenues available to the City, all as hereinafter set forth; and

WHEREAS, given the current condition of the Subject Property, the Corporate Authorities believe that its renovation and redevelopment is in the best interest of the City and the health, welfare and prosperity of its residents.

NOW, THEREFORE, the parties hereto, for good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, agree as follows:

Section 1. Incorporation of Recitals.

All of the recitals contained in the Preambles to this Agreement are hereby incorporated into this Agreement as if restated in this Section.

Section 2. Obligations of the Developer.

A. On or before August 1, 2025, the Developer shall have submitted to the City for its approval, detailed final construction plans to develop the Subject Property into the Project.

B. On or before November 1, 2025, the Developer shall have commenced construction of the Project in accordance with all applicable City Codes and laws of the State of Illinois, unless delayed by Force Majeure as described in Section 10..

C. The Developer covenants and agrees to complete the redevelopment of the Project and obtain certificates of occupancy for at least 75% of the units on or before November 1, 2027, unless delayed by Force Majeure as described in Section 10.

D. The Developer covenants and agrees to construct buildings and maintain the Subject Property in accordance with all applicable City Codes and laws of the State of Illinois and to pay, when due, all fees, taxes, fines, or other amounts due to the City pursuant to its ordinances and City Code or due to the County or the State of Illinois.

E. The Developer covenants that the Project shall require an investment of approximately \$41,525,000. Upon completion of the Project, the Developer shall deliver receipts in the form of paid bills, invoices, etc., as proof of the investment of approximately \$41,525,000 (“*Total Project Cost*”).

F. The Developer covenants and agrees to comply with the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq.* (the “*Prevailing Wage Act*”), if and to the extent that the reimbursement by the City of costs incurred by Developer in connection with the completion of the Project requires that the completion of the Project be subject to the Prevailing Wage Act.

Section 3. City’s Obligations.

A. The City hereby agrees to reimburse the Developer a one-time reimbursement of \$500,000 for TIF eligible expenses from the special tax allocation fund as defined in section 4A, contingent on the Developer providing documentation of at least \$500,000 in

eligible expenses. Funds will be dispersed after documentation has been provided to and verified by the City.

- B. The City hereby agrees to waive the City's administrative, permitting, and plan review fees incurred by the Developer for the Project.
- C. Provided the Developer has satisfied the requirements as stated in Section 2, the City hereby agrees to annually reimburse the Developer for Redevelopment Project Costs as defined in the TIF Act from Incremental Taxes (hereinafter defined) generated from the Subject Property from the sources provided in Section 4, in an amount equal to the lesser of (i) 9.79% of Total Project Cost; or (ii) \$4,064,847.68 (the "*Reimbursable Project Costs*").
- D. For purposes of this Agreement "Incremental Taxes" shall mean the amount of ad valorem taxes, if any, paid in respect of the Subject Property and its improvements which is attributable to the increase in the equalized assessed value ("*EAV*") of the Subject Property and its improvements over the initial equalized value of the Subject Property at the time of the establishment of the initial EAV by McLean County calculated in accordance with the TIF Act.

Section 4. Pledged Funds.

- A. Upon the adoption of the Empire Street Corridor Redevelopment Project Area, the City established a special tax allocation fund for the Project Area, as required by the TIF Act (the "*STAF*") into which the City deposits Incremental Taxes as received from the Project Area as a result of the adoption of the TIF Act.
- B. So long as no notice of default has been issued which remains uncured, on August 31 of each year (or, if later, that date which is ten (10) days following the date upon which the City

receives Incremental Taxes from the final installment of real estate taxes), ninety-eight percent (98%) of the Incremental Taxes with respect to the Subject Property shall be transferred and deposited into the HP Bloomington Empire, LLC Subaccount of the STAF (which Subaccount shall be automatically created by the ordinance approving this Agreement) and used solely to reimburse the Developer for Reimbursable Project Costs.

C. The deposits into the HP Bloomington Empire, LLC Subaccount as hereinabove directed, shall be collectively hereinafter referred to as “Pledged Funds”.

Section 5. Clawback Provisions.

In the event that the Developer fails to complete the Project as required by Section 2 above, or Developer or its successors or assigns as owner of the Subject Property, ceases to operate the Subject Property consistent with the description of the Project, other than a temporary cessation of operations for reasonable purposes such as Force Majeure:

- A. The tax incentive provided by the City will immediately cease and any balance of the incentive not yet paid would be forfeited by the Developer.
- B. The Developer agrees to compensate and make whole the City per the following terms:
 - i. Prior to receipt of the \$500,000 one-time reimbursement under Section 3.A of this Agreement, Developer agrees to execute a promissory note in the amount of \$500,000 with interest, where the interest rate shall be variable and set monthly equal to the Consumer Price Index for All Urban Consumers for the Midwest Region (“CPI”) as published by the U.S. Bureau of Labor Statistics, said interest shall being to accrue immediately. Said note shall be due and payable within thirty (30) days of termination of this redevelopment agreement due to an event of Default by the Developer. In the event the Developer completes the Project as agreed the note shall be cancelled as

if paid in full. The City’s ability to draw on the Promissory Note under this Section 5.B.i shall be contingent on the Developer’s prior receipt of the \$500,000 one-time reimbursement under Section 3.A.

- ii. If the City terminates this Agreement prior to the ninth (9th) anniversary of the date first written above, the Developer agrees to repay the City for increment actually received by the Developer from the City pursuant to Section 3.D above according to the following schedule:

Year of Termination After the Execution of the Redevelopment Agreement	Percentage of Prior Amounts Received by Developer to be Repaid to the City
1	100%
2	100%
3	100%
4	100%
5	80%
6	60%
7	40%
8	20%
9+	0%

Section 6. Advance of Funds.

The Developer shall advance all funds and all costs necessary to construct and complete the Project.

Section 7. Remedies – Liability.

A. If, in the City's reasonable judgment, the Developer is in material default of its obligations outlined in this Agreement, the City shall provide the Developer with a written statement indicating in adequate detail the nature of such material default. Except as required to protect against further damages, the City may not exercise any remedies against the Developer in connection with such failure until thirty (30) days after giving such notice; provided that if the failure is such that more than thirty (30) days would be reasonably required to comply, then the Developer shall have such additional time as may be necessary to comply so long as the Developer commences compliance within thirty (30) days of receipt of notice from the City and diligently proceeds to fulfill such obligation until completed. A default not cured as provided above shall constitute a breach of this Agreement unless the City grants the Developer additional time to accomplish the cure. Any failure or delay by the City in asserting any of its rights or remedies as to any default or alleged default or breach shall not operate as a waiver of any such default or breach of any rights or remedies it may have as a result of such default or breach.

B. If the Developer materially fails to fulfill its obligations under this Agreement after notice is given by the City and any cure periods described in paragraph (a) above have expired, the City may elect to exercise any right or remedy it may have at law or in equity, including without limitation the right to pursue compensatory damages not to exceed the amount actually reimbursed from the City to the Developer under this Agreement. If any voluntary or involuntary petition or similar pleading under any section or sections of any bankruptcy or insolvency act shall be filed by or against the Developer, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare the Developer insolvent or unable to pay the Developer's debts, or the Developer makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for the Developer or for the major part of the Developer's property, the City

may elect, to the extent such election is permitted by law and is not unenforceable under applicable federal bankruptcy laws, but is not required, with or without notice of such election and with or without entry or other action by the City, to forthwith terminate this Agreement.

C. If, in the Developer's reasonable judgment, the City is in material default of this Agreement, the Developer shall provide the City with a written statement indicating in adequate detail any failure on the City's part to fulfill its obligations under this Agreement. The Developer may not exercise any remedies against the City in connection with such failure until thirty (30) days after giving such notice; provided that if the failure is such that more than thirty (30) days would be reasonably required to comply, then the City shall have such additional time as may be necessary to comply so long as the City commences compliance within thirty (30) days of receipt of notice from the Developer and diligently proceeds to fulfill such obligation until completed.. A default not cured shall constitute a breach of this Agreement. Any failure or delay by the Developer in asserting any of its rights or remedies as to any default or any alleged default or breach shall not operate as a waiver of any such default or breach of any rights or remedies it may have as a result of such default or breach.

D. In addition to any other rights or remedies, a party may institute legal action against the other party to cure, correct or remedy any default, or to obtain any other remedy consistent with the purpose of this Agreement, either at law or in equity; provided, however, no recourse under or upon any obligation contained herein or for any claim based thereon shall be had against the City, its officers, agents, attorneys, representatives or employees in any amount or in excess of any specific sum agreed to be paid by the City hereunder, and no liability, right or claim at law or in equity shall be attached to or incurred by the City, its officers, agents, attorneys, representatives or employees in any amount in excess of any specific sums agreed by the City

to be paid hereunder and any such claim is hereby expressly waived and released as a condition of and as consideration for the execution of this Agreement by the City. Notwithstanding the foregoing, in the event either party shall institute legal action against the other party because of a breach of any agreement or obligation contained in this Agreement, the prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in connection with such action.

Section 8. Term.

Unless earlier terminated pursuant to Section 7, the term of this Agreement shall commence on the date of execution and end upon the earlier of which comes first: (i) reimbursement of an amount equal to Reimbursable Project Costs; or (ii) August 31, 2040 (the "*Termination Date*").

Section 9. Verification of Tax Increment.

The Developer shall cooperate with the City in good faith and use commercially reasonable efforts to obtain and deliver to the City copies of all real estate tax bills for the Subject Property payable in 2025, and which become payable in each subsequent year during the term of this Agreement for the Subject Property.

Section 10. Time; Force Majeure.

Time is of the essence of this Agreement, provided, however, a party shall not be deemed in material breach of this Agreement with respect to any obligations of this Agreement on such party's part to be performed if such party fails to timely perform the same and such failure is due in whole or in part to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, wet soil conditions, failure to receive any governmental permits and/or approvals when the Developer in good faith has made and prosecuted applications and requests for same, failure or interruptions of power, restrictive governmental laws and

regulations, condemnations, riots, insurrections, war, fuel shortages, accidents, casualties, floods, earthquakes, fires, acts of God, epidemics, quarantine restrictions, freight embargoes, acts caused directly or indirectly by the other party (or the other party's agents, employees or invitees) or similar causes beyond the reasonable control of such party ("*Force Majeure*"). If one of the foregoing events shall occur or either party shall claim that such an event shall have occurred, the party to whom such claim is made shall investigate same and consult with the party making such claim regarding the same and the party to whom such claim is made shall grant any extension for the performance of the unsatisfied obligation equal to the period of the delay, which period shall commence to run from the time of the commencement of the Force Majeure; provided that the failure of performance was caused by such Force Majeure.

Section 11. Assignment.

During the construction of the Project, and through the ninth (9th) anniversary of the date first written above, this Agreement may not be assigned by the Developer without the prior written consent of the City, which consent shall not be unreasonably withheld. From and after the completion of the Project through the ninth (9th) anniversary of the date first written above, any deed of conveyance with respect to the Subject Property shall include a restrictive covenant concerning the operation of the Subject Property consistent with the Project during the term of this Agreement.

Section 12. Developer's Indemnification.

The Developer shall indemnify and hold harmless the City, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise directly or indirectly from the failure of the Developer or any contractor,

subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee thereof is hired by the Developer) to timely pay any contractor, subcontractor, laborer or materialman; from any default or breach of the terms of this Agreement by the Developer; or from any negligence or reckless or willful misconduct of the Developer or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee is hired by the Developer). The Developer shall, at its own cost and expense, appear, defend and pay all charges of attorneys, costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the City, its agents, officers, officials or employees in any such action, the Developer shall, at its own expense, satisfy and discharge the same. This paragraph shall not apply, and the Developer shall have no obligation whatsoever, with respect to any acts of negligence or reckless or willful misconduct on the part of the City or any of its officers, agents, employees or contractors.

Section 13. Waiver.

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right or remedy does so in writing. No such waiver shall obligate such party to waive any right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided to said party pursuant to this Agreement.

Section 14. Severability.

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or

circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

Section 15. Notices.

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To the Developer : HP Bloomington Empire, LLC
1 Walker Avenue, Suite 300
Clarendon Hills, IL 60514
Attn: Mike Doyle

With a copy to: HP Bloomington Empire, LLC
3454 Douglas Road, Suite 250
South Bend, IN 46635
Attn: Legal Department

To the City : City Manager
City of Bloomington
115 East Washington Street
Bloomington, Illinois 61702

With copies to: Megan Lamb
1804 N Naper Blvd
Suite 350
Naperville, Illinois 60563
City of Bloomington
Attn: Legal Department
115 E. Washington St.
Bloomington, IL 61701

Section 16. Successors in Interest.

This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement and their respective successors and assigns.

Section 17. No Joint Venture, Agency or Partnership Created.

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

Section 18. No Discrimination – Construction.

The Developer for itself and its successors and assigns agree that in the construction of the improvements on the Subject Property provided for in this Agreement the Developer shall not discriminate against any employee or applicant for employment because of race, color, religion, sex or national origin.

Section 19. Amendment.

This Agreement, and any exhibits attached to this Agreement, may be amended only in a writing signed by all the parties with the adoption of any ordinance or resolution of the City approving said amendment, as provided by law, and by execution of said amendment by the parties or their successors in interest. Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations, and discussions relative to the subject matter hereof.

Section 20. Counterparts.

This Agreement may be executed in two or more counterparts, each of which shall be deemed an original but all of which together shall constitute one and the same instrument.

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

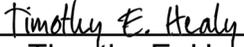
ATTEST

Mayor

Leslie Smith-Yocum, City Clerk

HP Bloomington Empire, LLC
By: Holladay Manager, its Manager

ATTEST

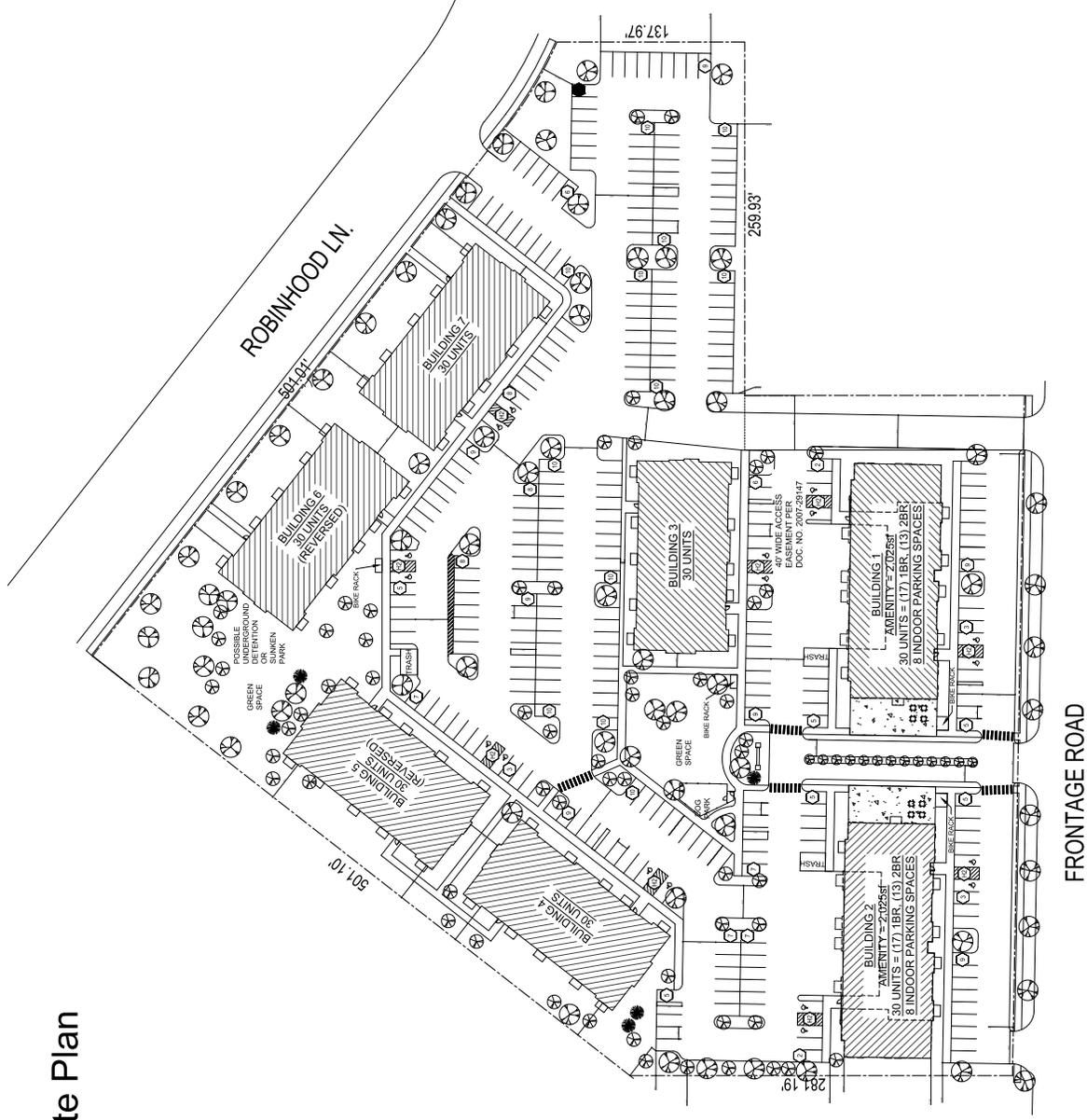
DocuSigned by:


By: Timothy E. Healy
Its: Manager

Exhibit A: Project Area - 1312 E. Empire Street (14-34-480-030), Bloomington, Illinois



Exhibit B: Site Plan



ATTACHMENT K

City of Bloomington, Illinois

Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual -
Budgetary Basis - Empire Street TIF Fund
Year Ended April 30, 2025

	<u>Budgeted Amounts</u>		<u>Actual</u>	<u>Variance With Final Budget</u>
	<u>Original</u>	<u>Final</u>		
Revenues				
Taxes	\$ 558,497	\$ 558,497	\$ 549,211	\$ (9,286)
Investment income	<u>16,464</u>	<u>16,464</u>	<u>74,799</u>	<u>58,335</u>
Total revenues	<u>574,961</u>	<u>574,961</u>	<u>624,010</u>	<u>49,049</u>
Expenditures				
Current:				
Community development	<u>275,000</u>	<u>275,000</u>	<u>217,424</u>	<u>57,576</u>
Total expenditures	<u>275,000</u>	<u>275,000</u>	<u>217,424</u>	<u>57,576</u>
Net change in fund balance	<u>\$ 299,961</u>	<u>\$ 299,961</u>	406,586	<u>\$ 106,625</u>
Fund Balance, Beginning			<u>803,235</u>	
Fund Balance, Ending			<u>\$ 1,209,821</u>	

Independent Auditors' Report on Compliance

To the City Council of
City of Bloomington, Illinois

We have audited the financial statements of the City of Bloomington, as of and for the year ended April 30, 2025 and have issued our report thereon dated October 28, 2025. We conducted our audit in accordance with auditing standards generally accepted in the United States of America.

In connection with our audit, nothing came to our attention that caused us to believe that the City of Bloomington Empire Tax Increment Financing Fund failed to comply with provisions of Subsection (q) of Section 11-74.4-3 of Public Act 85-1142, "An Act in Relation to Tax Increment Financing", insofar as it relates to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City of Bloomington's noncompliance with the above-referenced statute, insofar as it relates to accounting matters.

This report is intended solely for the information and use of the City Council, management, the State of Illinois, and others within the City of Bloomington and is not intended to be, and should not be, used by anyone other than the specified parties.

Baker Tilly US, LLP

Oak Brook, Illinois
October 28, 2025

ATTACHMENT O



Mayor Mboka Mwilambwe
115 E. Washington St., Ste. 402
Bloomington, Illinois 61701

Date: December 3, 2024

SUBJECT: Change in TIF Administrator at the City of Bloomington, Illinois.

Dear Ms. Mendoza,

I am writing to inform you that the below individual has been designated as the TIF Administrator for the City of Bloomington, McLean County, Illinois:

Kelly D. Pfeifer
Director
Development Services
Phone: (309) 434-2446
Cell: (309) 287-0136
Email: kpfeifer@cityblm.org
115 E. Washington St., Ste 200
Bloomington, IL 61701

Sincerely,

A handwritten signature in blue ink that reads "Mboka Mwilambwe".

Mboka Mwilambwe, Mayor
City of Bloomington