

Resolution No. _____

A RESOLUTION OF THE CITY OF PEORIA, PEORIA COUNTY, ILLINOIS TO INDUCE THE REDEVELOPMENT OF CERTAIN PROPERTY WITHIN A TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA

(War & University Redevelopment Area)

WHEREAS, the City of Peoria, Peoria County, Illinois (the "City"), is a home rule municipal corporation organized in accordance with Article VII, Section 6(a) of the Constitution of the State of Illinois of 1970; and

WHEREAS, the Mayor (the "Mayor") and the City Council of the City of Peoria (the "City Council") are committed to ensuring that the areas located within the City do not become blighted areas, that the stable economic and physical development within the City is not endangered by blighting factors and that where blighting factors exist, the City actively works to ameliorate blighting factors by promoting the development of private investment in property thereby increasing the real estate tax base of the City and providing employment for its citizens; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et. seq.*, as amended (the "Act"), blight may be manifested by and blighting factors are found where there are, among other things; (1) progressive and advanced deterioration of structures; (2) overuse of housing and other facilities; (3) a lack of physical maintenance of existing structures; (4) obsolete and inadequate community facilities; (5) a lack of sound community planning; (6) the existence of adverse environmental condition; and (7) a combination of the aforementioned factors; and

WHEREAS, there is an excessive and disproportionate expenditure of public funds, inadequate public and private investment, unmarketability of property, increased delinquencies and crime and housing and zoning violations in areas where blighting factors commonly exist; and

WHEREAS, there exists a certain area within the corporate limits of the City (the "Project Area") which may be blighted and, as proposed, is shown in the attached Exhibit A, a copy of which is attached hereto and incorporated herein; and

WHEREAS, if not addressed, the economic decline and distress in the Project Area may: (1) impair the value of private investments; (2) threaten the sound growth and tax base of the City as well as the taxing districts authorized to tax real property in the Area; and (3) threaten the health, safety, morals and welfare of the public; and

WHEREAS, to remove and alleviate the blight and to address the economic decline and distress affecting the Project Area, the City has determine that it is in the City's best interests to commission and conduct a study to explore the possibility of establishing tax increment financing ("TIF") and adopting a new Tax Increment Financing District Redevelopment Plan, Area and Projects all in accordance with the "Act; and

WHEREAS, if a new Project Area is established, the City is authorized under the Act to make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others necessary or incidental to the implementation and furtherance of its redevelopment plans and projects and to finance redevelopment project costs provided such project costs are eligible under the Act; and

WHEREAS, if a new Project Area is established, the City may negotiate and thereafter enter into TIF Redevelopment Agreements with a Developer (the "Developer"), whereby the City may provide financial incentives, including but not limited to TIF to incentivize the Developer's redevelopment within the Project Area; and

WHEREAS, the City's payment of Developer's Potential Eligible Redevelopment Costs is contingent upon the City and the Developer entering into a Redevelopment Agreement, which shall require, among other things, the Developer to complete a project eligible for reimbursement under the Act; and

WHEREAS, the successful redevelopment of the Project Area is contingent upon economic assistance from the City and the taxing districts within the City and **but for** said assistance, the Developer would not undertake the Project; and

WHEREAS, the City further acknowledges that, **but for** the benefit of economic assistance from the TIF, the Project could not proceed; and

WHEREAS, the City acknowledges that the Developer will not be able to commence the Project unless the expenditures the Developer incurs are reimbursable under the Act; and

WHEREAS, in an effort to encourage public and private investment in the Project Area, the City Council does hereby agree to undertake, in good faith, an investigation into the appropriateness of allowing the City to use TIF in connection with the Project; and

WHEREAS, pursuant to the Act, the City has the authority to make certain expenditures necessary to commence the project on the basis that TIF may be used, entirely or in part, to finance the project; and

WHEREAS, after adoption of this Resolution, the City agrees to consider providing municipal and/or other governmental economic assistance including, but not limited to, TIF, through the establishment and/or expansion of a redevelopment Project Area, to the extent that such assistance may be lawfully and practically available and in the best interests of the City; and

WHEREAS, notwithstanding the foregoing, this Resolution neither obligates the City to establish a TIF District nor enter into a Redevelopment Agreement with the Developer, rather it is intended to induce the Developer to pursue plans for the Project and provide for the potential reimbursement of Developer's Potential Eligible Redevelopment Costs in the event the New TIF District is established and a Redevelopment Agreement is entered into between the City and the Developer.

NOW, THEREFORE, BE IT RESOLVED by the Mayor and Members of the City Council of the City of Peoria, Peoria County, Illinois, as follows:

1. Recitals. That the intentions of the City of Peoria regarding this Project as expressed in the recitals herein are hereby true and correct and adopted as part of this Resolution.

2. Purpose. The purpose of this Resolution is to induce the City and the Developer to proceed with the potential redevelopment of the Area, to incur costs pending the possible approval of the New TIF District and the Redevelopment Agreement, and to further authorize the City Manager or his Designee to take all steps necessary to carry out the terms of this Resolution and ratify any steps taken to effectuate those goals.

3. Authorization. The City Council has authorized and directed the City Manager or his designee to commission and conduct a study and consider whether all or a portion of the Project is appropriate for participation in municipal and/or other governmental economic incentive program(s), including, but not limited to, TIF. If the City determines that the Project is appropriate for such municipal and/or other governmental economic incentive program(s), including, but not limited to, TIF and such costs are qualified costs under the Act, the City may make certain TIF eligible expenses to commence the Project and bargain in good faith with the Developer regarding the Project, including reimbursement for the expenditures so authorized, provided that such reimbursements are lawfully permitted and practically available. According, the City and other third parties designated by the City, including, but not limited to the Developer are hereby induced to make such reasonable expenditures in furtherance of the Project and the establishment of the New TIF District. The City Council hereby authorizes and directs the City Manager or his designee and the Corporation Counsel to take all necessary steps and incur all costs to establish the redevelopment project area and to negotiate and draft agreements and other documents necessary to carry out the intent of this Resolution. After such agreements or documents are in a form satisfactory to the City and the Corporation Counsel, said agreements or documents shall be presented to the City Council for approval and passage, as provided by law. The City Clerk is also authorized and directed to affix the Seal of the City to such documentation as deemed necessary.

The officer, agents and/or employees of the City shall take all action necessary or reasonable required by the City to carry out, give effect to and consummate the purpose of this Resolution and shall take all action necessary in conformity therewith. To the extent that any requirement of bidding would be applicable, the same is hereby waived. The authority of this Resolution also allows the City to retain all professionals necessary to discharge the intent of this Resolution. Further, the City is permitted to reimburse itself for eligible redevelopment project costs so incurred.

4. Headings. The headings used in this Resolution are solely for convenience of reference and form no substantive part of this Resolution nor should they be used in any interpretation or construction of any substantive provision of this Resolution.

5. Severability. The provisions of this Resolution are hereby declared to be severable and should any provision of this Resolution be determined to be in conflict with any law, statute or regulation by a court of competent jurisdiction, said provision shall be excluded and deemed inoperative, unenforceable and as though not provided for herein and all other provisions shall remain unaffected, unimpaired, valid and in full force and effect.

6. Effective date. The provisions of this Resolution shall be effective commencing with its adoption as provided by law.

PASSED BY THE CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS

THIS _____ DAY OF _____ 2021.

APPROVED:

Mayor

ATTEST:

City Clerk

EXAMINED AND APPROVED

Corporation Counsel

EXHIBIT A – MAP OF POTENTIAL “PROJECT AREA”