

**AN ORDINANCE AMENDING THE PEORIA 812 DEVELOPMENT LLC,
REDEVELOPMENT AGREEMENT (ORDINANCE 17,629)**

WHEREAS, Section 11-74.4-4 of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-4) provides that no agreement regarding the development of land shall be made except upon the adoption of an ordinance by the corporate authorities;

WHEREAS, the City of Peoria, Illinois (the "City") has, pursuant to statute, designated a redevelopment project area and approved redevelopment plans;

WHEREAS, the City approved a Redevelopment Agreement from Peoria 812 Development, LLC (the "Redeveloper") per Ordinance 17,629, on November 13, 2018, whereby the Redeveloper proposes to renovate 812 SW Washington St into mixed-use leasable units, which is expected to generate tax revenue and employment opportunities;

BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF PEORIA, ILLINOIS, AS FOLLOWS:

1. The Redevelopment Agreement, per Ordinance 17,629, be amended to consist of replacing: a) Page 6, and b) Schedules 1A, 1B, 2A, 2B, and 3. Altogether these pages are attached is hereby approved.
2. The Mayor, Clerk and other officers of the City are authorized to execute and amend the Redevelopment Agreement and other documents, and to perform all acts, necessary to carry out the intent of this ordinance.
3. This Ordinance shall take effect upon passage and publication as provided by law.

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

8TH day of OCTOBER, 2019

APPROVED



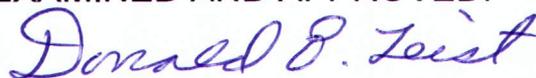
Mayor

ATTEST:



City Clerk

EXAMINED AND APPROVED:



Corporate Counsel

FILED

NOV 01 2019

PEORIA COUNTY CLERK

The City will provide the Incentive and Cost Reimbursement for the Project herein described below:

5.1 Reimbursement of Redevelopment Project Costs. The City will reimburse the Redeveloper up to the eligible redevelopment project costs substantially as presented in **Schedule 1**, and costs further defined categorically in Section 74.4-3 (q) of the Act (the "Reimbursement") in accordance with this as Article V.

5.2 Project Site. The Redeveloper shall develop the Project Site as shown and legally described in **Schedule 2**.

5.3 Conditions Precedent to Reimbursement. The City's obligation to make the Reimbursement set forth in this Article V hereof is subject to the following:

5.3.1 The commencement of the Project pursuant to the terms of this Agreement; substantial completion of exterior repairs required for code compliance that resolve any outstanding safety issues; and substantial completion of at least the first phase of construction on the interior of the building resulting in a Certificate of Occupancy for that phase. (Note that it is contemplated that the Project will be completed in multiple phases, each to receive a separate Certificate of Occupancy until all phases are complete and a single Certificate of Occupancy is issued for the Property.

5.3.2 The Redeveloper's compliance with the terms and conditions of this Agreement.

5.4 Reimbursement Payments. Subject to all of the conditions set forth in this Agreement, the City shall pay the Redeveloper the amounts shown in **Schedule 3**. The Schedule of Reimbursement Payments may come either as a "TIF Upfront Payment" according to a disbursement schedule agreed to by the parties, and/or as a percentage of the "Project Tax Increment" (defined below) on December 1st of each year.

5.4.1 "Project Tax Increment" means, for each calendar year, all ad valorem real estate taxes attributable to the Project for such calendar year in excess of ad valorem real estate taxes attributable to the Project Site for the year shown in **Schedule 3** which are received by the City and deposited in the City's special tax allocation fund.

5.4.2 Redeveloper will receive Reimbursement payments equal to 50% of the annual available Project Tax Increment above the EAV for a given year, prior to redevelopment, as shown in **Schedule 3**.

5.4.3 Remaining Increment. Should there be any Project Tax Increment available after the payment of all of Redeveloper's eligible Redevelopment Project Cost for the Project as shown in **Schedule 1**, the City will carry-over and apply any remaining Project Tax Increment towards another project the Redeveloper establishes within the existing or adjoining TIF District. The City's obligation to carry-over and apply any remaining Project Tax Increment towards another project is subject to the other project executing a Redevelopment Agreement, said

SCHEDULE 1A**PROJECT DESCRIPTION & PROJECT COSTS****Project Description**

The Project consists of a 7 story, approximately 115,000 square foot, brick warehouse (14,000 sf. floor plates) including a single-story structure, additionally with a basement and sub-basement and a vacant lot to the Southwest, previously known as the “Churchill Drug Company” building currently a certified historic structure and listed individually on the National Register of Historic Places.

It is currently known as the “Builders Warehouse” Building.

The building will be gut rehabilitated into about 126 loft apartment units, and commercial space of approximately 3,500 sf on the first floor. The actual unit count, will be determined no later than the construction permit approval date for the Project but the unit count may increase to as many as 137 units for the Project.

The renovations of the historic facade (including windows) will comply with the City building code standards and will conform with all covenants, conditions, restrictions, zoning ordinances, (subject to building and zoning relief, as needed), environmental regulations and land use regulations and the Federal Secretary of Interior standards and Illinois Historic Preservation Agency (IHPA), for historic redevelopments.

Project Costs

Project Costs will be the actual Redevelopment Project Costs certified by the Redeveloper for which the Redeveloper would be eligible to receive reimbursement under the Act and validated by the City, regardless of amount. The following table is an estimate of such cost, and not a guaranty or a limitation on the actual Redevelopment Project Costs for which Redeveloper is eligible to seek reimbursement.

The total Redevelopment Project Cost is estimated at \$25.3 million of which \$21.3 million, or 84%, is estimated to be TIF eligible.

SCHEDULE 1B

PROJECT DESCRIPTION & PROJECT COSTS

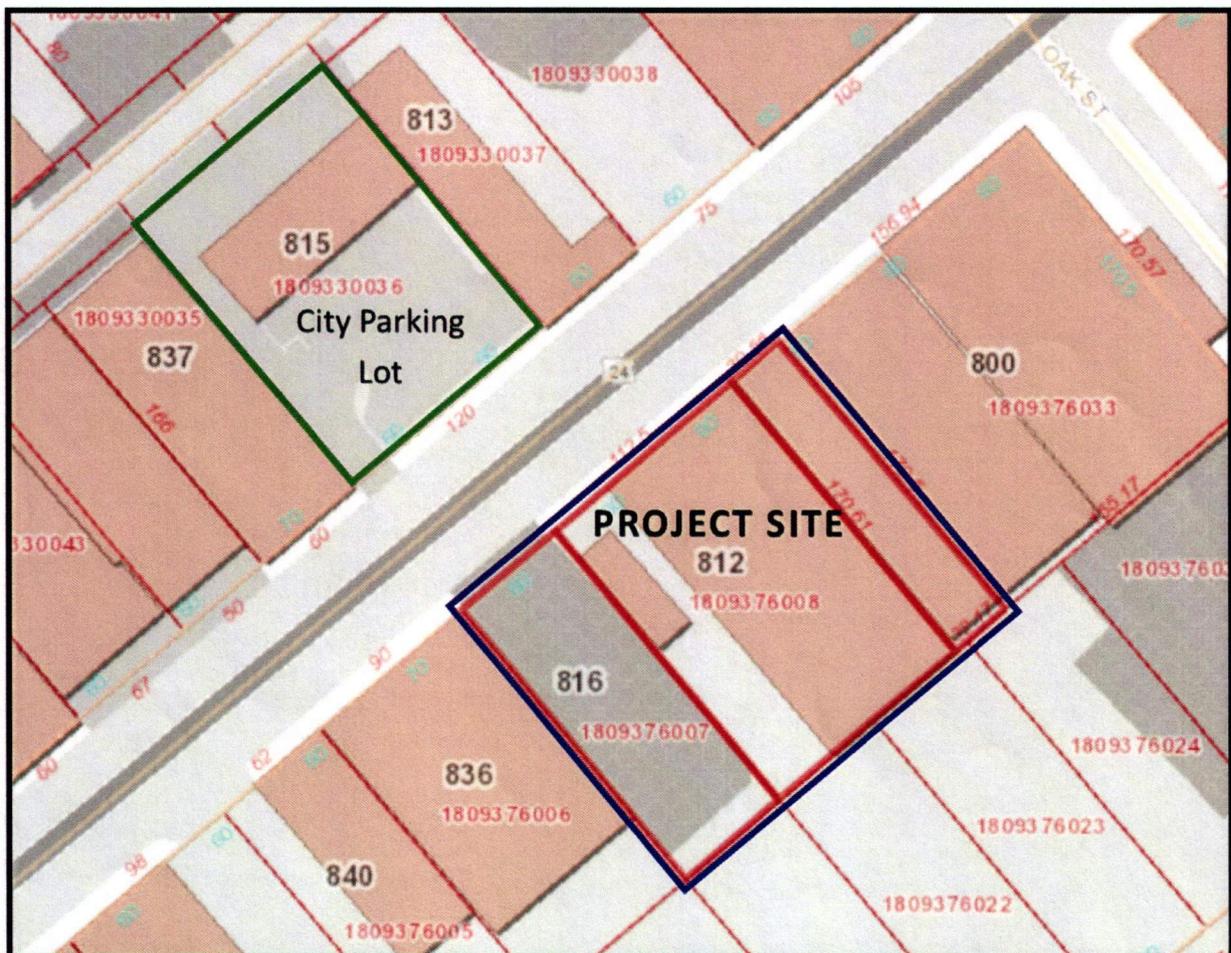
STATEMENT OF FORECASTED SOURCES AND USES	
SOURCES OF FUNDS	TOTAL
1st Mortgage -TBD	12,725,437
(if TIF sourced facility is at 100% DSCR , debt amount can increase)	-
Federal HTC	3,881,293
State Mill Credit	4,733,556
Other Sponsor sources	35,000
Sponsor Funds	3,700,000
Other Sources, Income during construction	242,751
Total Sources Of Funds	25,318,037
USES OF FUNDS- DEVELOPMENT COSTS	TOTAL
Building Acquisition	849,600
Land Costs	212,400
General Requirements & General Conditions / Project Overhead (included in	1,887,360
Environmental - asbestos, lead abatement	350,000
Construction Cost including contingency and GC fee, owner	13,978,000
North East Side lot and sidewalk -improvements	35,000
Building Permits	50,000
Architect & Engineering	250,000
Construction Insurance, Project Manager,	150,000
RE Taxes/Insurance	90,000
Construction Interest	896,845
Bridge Interest	165,928
Loan Origination Fee, Third party studies etc and perm loan fee	400,000
Guarantee Fee	300,000
Owner representation and administration	150,000
Appraisal & Developer due diligence	74,000
Preliminary planning - DG	200,000
Consultants, third party due diligence, syndication cost - Hist	200,000
Survey	10,000
Marketing and Advertising (Rent up)	100,000
Real Estate attorney	300,000
Accounting and admin- SG and DG	250,000
Other	74,212
Developer Fee	2,500,000
Broker Fee- tax credit syndication- STS consulting	558,325
Operating Reserve	650,000
Lease-up Reserve	566,667
Other Unknowns & Costs	50,000
Additional bridge loan interest and costs	19,700
Total Uses Of Funds	25,318,037
TIF Eligible Project Costs	\$ 21,267,458
% of Total Project Costs	84%

SCHEDULE 2A

PROJECT SITE DESCRIPTION

(Property Identification Number & Legal Description)

- 18-09-376-007 (816 SW Washington St.)** - BALLANCE ADD SW 1/4 SEC 9-8-8E LOT 6 BLK 76 (92-28476/97-29665);
- 18-09-376-008 (812 SW Washington Street)** - BALLANCE ADD SW 1/4 SEC 9-8-8E LOT 5 & THE SWLY 52.5' LOT 4 BLK 76 (86-14353/97-29665); and
- 18-09-376-032 (NE side lot)** - BALLANCE ADDN SW 1/4 SEC 9-8N-8E COMG MOST NLY COR LOT 1 BLK 76 TH SW 156.94' TO POB: TH SE 170.6' SW 32.17' NW 170.61' NE 30.56' TO POB PT LOTS 3 & 4



City Parking Lot – Lease of 50 Parking Spaces Maximum

- 18-09-330-036 (815 SW Washington Street)** - BALLANCE ADDN SW 1/4 SEC 9-8-8E LOTS 7 & 8(EXC THE NWLY 15') BLOCK 77

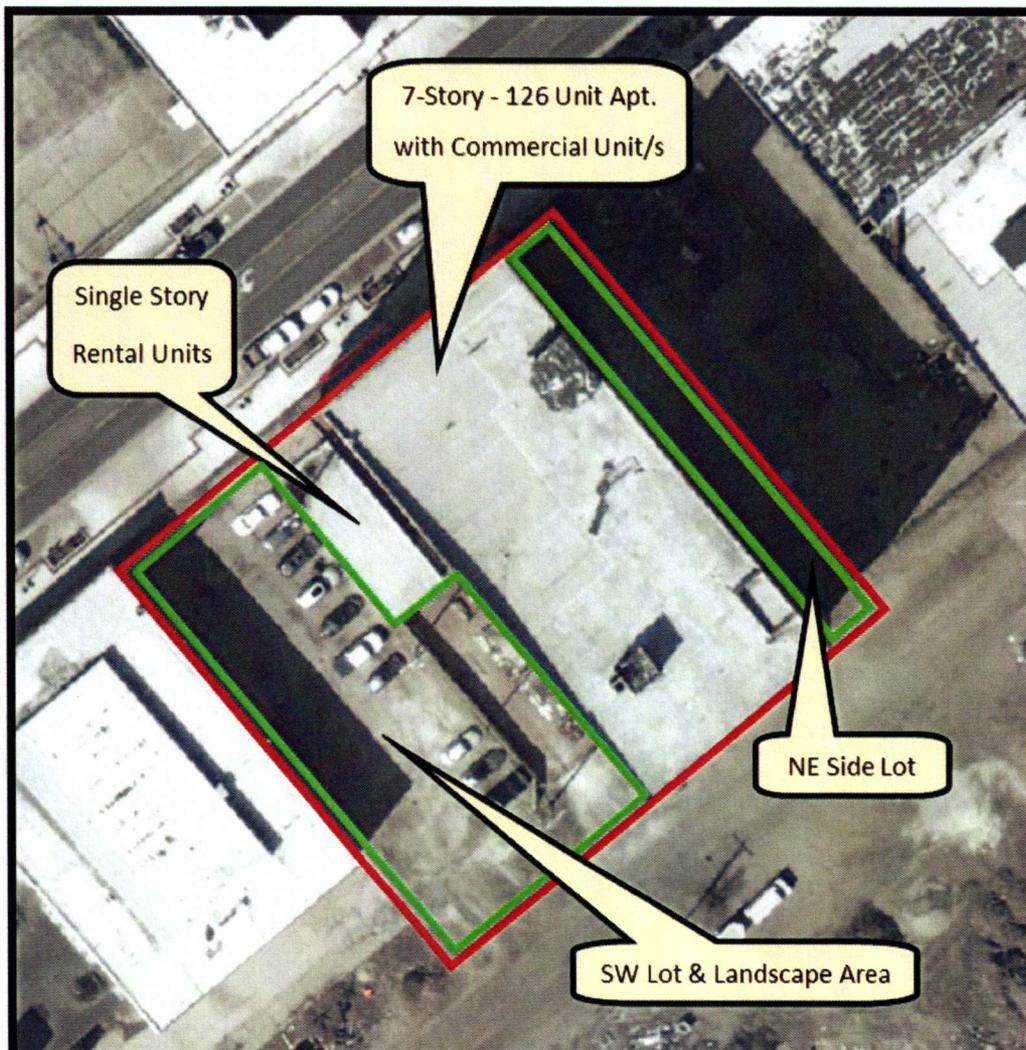
SCHEDULE 2B

PROJECT SITE PLAN

The Project at 812 SW Washington Street altogether consists of a 37,461 sf site (0.85 acres) covered by 7-story building of approximately 115,000 sf additionally with a basement and sub-basement and a one story building of 1,300 sf. The open space includes the lot space to the southwest (PINs 18-09-376-007 and 18-09-376-008) and side lot to the northeast (18-09-376-032).

The proposed plan is to convert the 7-story building (including the stand-alone 1 story building) into a 126-Unit market rate apartments along with a commercial unit of approximately 3,500 sf on the first floor. The open space will include a walkway and landscaping for social and recreational use.

Parking for tenants will meet City code and will include the leasing of up to 50 parking spaces at a City owned lot/a at 815 SW Washington Street identified by PIN 18-09-330-036 (which is integral to the Project Site and the Project) across the street, and the provision of on-street parking permits for tenants.



SCHEDULE 3

TIF INCENTIVE & REIMBURSEMENT PAYMENTS

The City’s commitment to Redeveloper will include a) and annual reimbursement of Fifty percent (50%) of the available Project Tax Increment generated annually from the Project Site above the base EAV of 2019, b) \$35,000 reimbursement over seven (7) years for sidewalk conversion, and c) the provision of a maximum of 50 dedicated leased parking spaces.

The first scheduled payment of the Project Tax Increment will be subject to the Conditions Precedent for TIF Reimbursement in Section 5.3. Should the duration of the original TIF District be extended beyond 2030, then the payments will continue in like fashion, until the extended life of TIF District as extended is terminated.

The values in the table below are estimates of the annual payables of TIF Reimbursement Payments to Redeveloper. While actual variables (Base EAV, Project EAV, and Property Tax Rate) will vary, the City’s will provide 50% of the available Project Tax Increment to Redeveloper at all times subject to the terms of this Agreement. Nothing contained in this Schedule 3 is intended to imply a limit to the total amount of Project Tax Increment that may be available to the Redeveloper, and to any reductions.

812 SW WASHINGTON STREET											
Actual - As of 9/18/2019						Estimated - at Project Completion					
PIN: 3 Parcels						Project Completion Est: 12/31/2020					
Assessor Market Value: \$ 439,800						Assessor Market Value Est: \$ 6,500,000					
Actual Base EAV (2019): \$ 146,600						Est. EAV: \$ 2,166,667					
Actual Tax Rate (2018): 9.73907%						Est. Tax Rate: 9.73907%					
Year Payable	Est. EAV from Prior Year	EAV Inc.	Tax Rate	Total Property Tax	Total of Project TIF Increment	"Project TIF Increment" to Developer	Estimated Project TIF Payment to Develop	TIF Payment for Sidewalk Conversion	Estimate Project TIF Payment to City		
Base	2019	\$ 146,600	\$ -	9.73907%	\$ 14,277	\$ -	50%	\$ -		\$ -	
1	2020	\$ 146,600	2019	\$ -	9.73907%	\$ 14,277	\$ -	50%	\$ -	\$ 5,000	\$ (5,000)
2	2021	\$ 146,600	2020	\$ -	9.73907%	\$ 14,277	\$ -	50%	\$ -	\$ 5,000	\$ (5,000)
3	2022	\$ 2,166,667	2021	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368	\$ 5,000	\$ 93,368
4	2023	\$ 2,166,667	2022	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368	\$ 5,000	\$ 93,368
5	2024	\$ 2,166,667	2023	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368	\$ 5,000	\$ 93,368
6	2025	\$ 2,166,667	2024	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368	\$ 5,000	\$ 93,368
7	2026	\$ 2,166,667	2025	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368	\$ 5,000	\$ 93,368
8	2027	\$ 2,166,667	2026	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368		\$ 98,368
9	2028	\$ 2,166,667	2027	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368		\$ 98,368
10	2029	\$ 2,166,667	2028	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368		\$ 98,368
11	2030	\$ 2,166,667	2029	\$ 2,020,067	9.73907%	\$ 211,013	\$ 196,736	50%	\$ 98,368		\$ 98,368
								\$ 885,311	\$ 35,000	\$ 850,311	