

ORDINANCE NO. 9798-75

AN ORDINANCE
APPROVING AN AMENDMENT NO. 2 TO THE REDEVELOPMENT AGREEMENT BY
AND BETWEEN THE CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS AND
CORRIDOR PROPERTIES, INC.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA,
ILLINOIS, as follows:

Section 1. That an Agreement by and between the City of Urbana and Corridor Properties, Inc., in the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

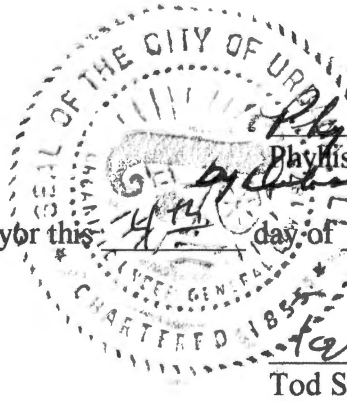
PASSED by the City Council this 1st day of December, 1997.

AYES: Hayes, Huth, Kearns, Patt, Taylor, Whelan, Wyman

NAYS:

ABSTAINED:

APPROVED by the Mayor this 4th day of December, 1997.



Phyllis D. Clark
Phyllis D. Clark, City Clerk
Robert, Deputy Clerk
Tod Satterthwaite
Tod Satterthwaite, Mayor

THIS ORDINANCE CONSISTS OF 1 PAGES.

Initials SR

**AMENDMENT NO. 2 TO
THE REDEVELOPMENT AGREEMENT**

by and between

THE CITY OF URBANA, CHAMPAIGN COUNTY, ILLINOIS

and

CORRIDOR PROPERTIES, INC.,

AN ILLINOIS CORPORATION

Document Prepared by:

City of Urbana
400 S. Vine Street
Urbana, Illinois 61801

AMENDMENT NO. 2 TO A REDEVELOPMENT AGREEMENT

THIS IS AMENDMENT NO. 2 TO A REDEVELOPMENT AGREEMENT (including attachments and exhibits, the "Amendment No. 2") dated as of the 1st day of December, 1997, by and between the City of Urbana, an Illinois home-rule municipality, in Champaign County, Illinois (the "City"), and Corridor Properties, Inc., an Illinois corporation (the "Developer").

RECITALS

WHEREAS, the City and the Developer have previously entered into a Redevelopment Agreement (hereinafter referred to as the "Original Redevelopment Agreement") dated September 1, 1993; and

WHEREAS, the City and the Developer amended said agreement with "Amendment No. 1 to the Redevelopment Agreement" dated August 1, 1994; and

WHEREAS, there have been delays and renegotiations for the construction of an office building that affect the Parties' performance under the terms of the Original Redevelopment Agreement; and

WHEREAS, the Parties agree that these delays warrant a second amendment to the Original Redevelopment Agreement.

**AMENDMENTS TO THE ORIGINAL REDEVELOPMENT AGREEMENT AND
AMENDMENT NO. 1 TO THE REDEVELOPMENT AGREEMENT**

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer hereby agree as follows:

Section . 1. Amendment to Article I, Section 1.1 "Definitions".

- (a) The definition of "Incremental Property Taxes" is hereby amended to read as follows:
For the purpose of this Amended Agreement, incremental property taxes directly attributable to the Private Development shall mean the following:

Incremental Property Taxes for Block 1 and Block 2 (Private Development) shall be based upon the increase in assessed value over and above the assessed value for the tax year 1993 payable 1994 in each respective block. The assessed value for tax year 1993 payable 1994 is \$207,940 for Bloc 2 and \$203,606 for Block 1.

- (b) The definition of "Private Development" is hereby amended to read as follows:

"Private Development" means the hotel facility, the office building and/or restaurant facility (including the related real estate and appurtenant facilities) to be acquired, constructed, extended, improved and installed (or caused to be done) in one or more phases by the Developer. (It is acknowledged that on the date of this amendment No. 2, the hotel facility and the restaurant facility have already been constructed.)

Section 2. Amendment of Section 3.3 Amendment No. 1 to the Redevelopment Agreement. The Parties agree that Subsection 3.3(b) of Section 3.3 entitled Conditions Precedent of the Original Redevelopment Agreement is hereby further amended to read as follows:

- (b) the Developer having entered into a contract for the construction of an office building, fully subject to property taxes, which contains a minimum of 45,000 square feet and which is valued at not less than \$4,000,000.00 (determined by the cost of construction), having obtained a financing commitment for such an office building and having commenced construction in a timely manner as to satisfactorily assure that the construction of such an office building is substantially completed on or before September 1, 2000.

Section 3. Amendment of Section 3.1 of the Original Development Agreement. Article III Section 3.1 of the Original Agreement was not amended by Amendment No. 1. Therefore, on the date hereof, Section 3.1 of the Original Agreement is hereby amended by this Amendment No. 2 to read as follows:

Section 3.1. City's Financial Obligations. The City shall have the obligations set forth in this Section 3.1 relative to financing Eligible Costs in the Development Area. Upon the submission to the City by the Developer of Requisitions for Eligible Costs incurred and paid, the City, subject to the terms, conditions and limitation set forth in this Section 3.1 immediately below, agrees to reimburse the Developer from the Fund such interest costs paid and incurred by the Developer (including any affiliated hotel developer) as are directly related to the Private Development in the Development Area as follows:

- (a) Reimbursement as applied to the hotel and restaurant facilities, only: such reimbursement in any one calendar year shall not exceed: (i) thirty percent (30%) of the annual interest costs paid and incurred by the Developer (including any affiliated hotel developer) related to the Private Development in the Development Area in any one calendar year; or (ii) eighty percent (80%) of the Incremental Property Taxes actually received by the City for such calendar year which are directly attributable to the Private Development in the Development Area; whichever amount in (i) or (ii) above is less, reduced by (iii) the applicable portion of such lesser amount, determined as set forth in (i) and (ii) above, which is directly attributable to either the hotel facility or the restaurant facility, as prorated on a day for day basis, for any period in any such calendar year that either the

hotel facility or the restaurant facility (including any related real estate and appurtenant facilities) respective, of such Private Development in the Development Area is not continuously operated or otherwise open for a business on a regular basis as a hotel facility or a restaurant facility, as applicable, unless the Corporate Authorities of the City subsequently otherwise agree in writing (the "Reimbursement Amount")' provided, however, that the reduction as provided in (iii) above shall be applicable to any period prior to December 1, 1994, or to any temporary or interim periods of fourteen (14) or less continuous days.

- (b) The Developer and City acknowledge that the restaurant facility which was originally intended for Block 1 was subsequently located on Block 2 as additional property was acquired. As a result of such construction, any Incremental Property Taxes attributable to the restaurant facility shall be allocated 100% to Block 2.

If the Developer does not satisfy the obligation of constructing an office building as provided for in Section 3.3 within the time frames established, said City's obligation for reimbursement for expenses for the hotel and restaurant facility shall decrease 10% each tax year or portion thereof that the office building remains unbuilt. The remedy for non performance contained within this paragraph shall superseded the provisions of Article VI.

- (c) Reimbursement as applied to the office building facility only: such reimbursement in any one calendar year shall not exceed: (i) thirty percent (30%) of the annual interest costs paid and incurred by the Developer (including any affiliated hotel developer) related to the office building in the Development Area in any one calendar year; or (ii) seventy percent (70%) of the Incremental Property Taxes actually received by the City for such calendar year which are directly attributable to the office building in the Development Area; whichever amount in (i) or (ii) above is less, reduced by (iii) the applicable portion of such lesser amount, determined as set forth in (i) and (ii) above, which is directly attributable to the office building facility, as prorated on a day for day basis, for any

period in any such calendar year that the office building facility (including any related real estate and appurtenant facilities) respective, of such Private Development in the Development Area is not continuously operated or otherwise open for a business on a regular basis as an office building facility, as applicable, unless the Corporate Authorities of the City subsequently otherwise agree in writing (the "Reimbursement Amount")' provided, however, that the reduction as provided in (iii) above shall be applicable to any period prior to December 1, 1994 or to any temporary or interim periods of fourteen (14) or less continuous days.

- (d) the total of all such annual payments of the Reimbursement amount pursuant to this Section 3.1 shall not exceed the total of: (i) costs paid or incurred by the Developer (including any affiliated hotel developer) for the Private Development; plus, (ii) all qualifying redevelopment project costs as specified in Section 5/11-75.3(q) of the Act which are directly attributable to the private Development in the Development Area.

The obligations of the City to reimburse the Developer for the Reimbursement among under this Section 3.1 shall terminate or be reduced as follows: (i) for the portion of the Reimbursement amount attributable to the hotel or restaurant facility, upon reimbursement by the City in connection with the Requisition therefor submitted by the Developer in accordance with Section 5.1 hereof on or after September 1, 2012, and (ii) for that portion of the Reimbursement Amount attributable to the Private Development in Block 2 of the Development Area in accordance with Section 5.1 hereof, upon reimbursement by the City in connection with the Requisition therefor submitted therefor by the Developer on or after September 1, 2011.

Section 4. Article IV, Section 4 is hereby amended to add the following new section:

Section 4.7. Payment in Lieu of Taxes. If, during the term of this agreement, regardless of whether Developer owns such or not, any of the parcels or structures (or portions thereof) of the private development are exempted from general real estate taxes, the Developer shall pay to the City of Urbana, a payment in lieu of taxes in an amount determined by the Urbana City Council as provided for herein. The amount so calculated shall be due and payable on the 1st day of June of the

year following which the said parcel(s) or structure(s) or portions thereof were exempt from general real estate taxes. The calculation of the amount due as a payment in lieu of taxes shall be determined by the application of the total tax rates of all taxing bodies levying real estate taxes in Urbana for such year, applied to the properties affected, utilizing the last assessed value for such parcel or property as modified by the amount determined by the Urbana City Council to be reflective of any increased value of such parcel or property since the assessed valuation thereof was set.

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed by their duly authorized officers as of the date set forth above.

CITY OF URBANA, ILLINOIS

(SEAL)

By: Tal Sattler

Mayor

Date: 12/4/97



Phyllis D. Clark
City Clerk Robert J. Robert, Deputy Clerk

Corridor Properties, Inc.

(SEAL)

By: Dan Wein

Its: President

Date: 12/10/97

ATTEST:

David H. [Signature]

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