RESOLUTION OF THE BOARD OF EDUCATION OF COMMUNITY UNIT SCHOOL DISTRICT NO. 5, MCLEAN AND WOODFORD COUNTIES, ILLINOIS, CONDITIONALLY AND PARTIALLY ABATING PROPERTY TAX FOR WIRTZ BEVERAGE ILLINOIS, LLC

WHEREAS, Community Unit School District No. 5, McLean and Woodford Counties, Illinois (the "District") is a body politic and corporate; and

WHEREAS, tax abatement is a versatile tool economic developers use for projects related to business retention and attraction; and

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

WHEREAS, the Economic Development Council of the Bloomington-Normal Area ("EDC"), along with Bloom Heartland, LLC ("Bloom Heartland") and Wirtz Beverage Illinois, LLC, ("Wirtz Beverage") have asked for tax abatements on the part of the local taxing bodies in support of Wirtz Beverage’s relocation to Bloomington; and

WHEREAS, all parties believe the economic development impact of this project will ultimately be advantageous to the community as a whole, through capital investment and job growth which stimulates retail growth, sales tax generation, diversification and economic vitality; and

WHEREAS, Wirtz Beverage wishes to relocate its mid-state headquarters facility to a new facility to be constructed (the "New Facility") on a parcel of land within Interchange West Subdivision, Bloomington, Illinois, which land is defined in the Tax Abatement Agreement attached hereto as Exhibit A and incorporated herein by reference (the "Agreement") as the “Property”; and

WHEREAS, the current equalized assessed value of the tax parcel, of which the Property is a part, is described in Exhibit B attached hereto; and

WHEREAS, Illinois Statute 35 ILCS 200/18-165, in pertinent part, provides that:

(a) 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 10 years and the aggregate amount of abated taxes for all taxing districts combined shall not exceed $4,000,000.
WHEREAS, Wirtz Beverage is a distributor of spirits, wine, and beer that has an opportunity to relocate its operations; and

WHEREAS, an estimated $7.25 million of investment will be made into the Property during the course of this Agreement; and

WHEREAS, Bloom Heartland and Wirtz Beverage are requesting that the District grant their request for said abatement as such abatement is more particularly described in this Resolution, provided Bloom Heartland and Wirtz Beverage satisfy the further terms and conditions set forth herein and in the Agreement; and

WHEREAS, the District is willing to grant such abatement to Bloom Heartland and Wirtz Beverage in accordance with the terms and conditions set forth in this Resolution and the Agreement;

NOW, THEREFORE, BE IT RESOLVED BY THE BOARD OF EDUCATION OF COMMUNITY UNIT SCHOOL DISTRICT NO. 5, MCLEAN AND WOODFORD COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION ONE: The Agreement is hereby approved and the Superintendent is hereby authorized and directed to enter into the Agreement on behalf of the District.

SECTION TWO: The McLean County Clerk is hereby ordered to abate that portion of real estate taxes levied against the Property that are attributable to an increase in assessed value arising solely from capital improvements related to the New Facility made by Bloom Heartland or Wirtz Beverage to the Property after execution of the Agreement agreement and prior to December 31, 2014 ("Eligible Improvements"), beginning with taxes levied in 2014 (payable in 2015) and continuing for taxes levied in 2015 (payable in 2016), 2016 (payable in 2017), 2017 (payable in 2018), and 2018 (payable in 2019), subject however to cancellation and termination as hereafter provided.

SECTION THREE: The partial tax abatement provided in Section Two shall terminate immediately upon written notice from the Superintendent of any of the following events:

   a. At any time during the term of the Agreement after December 31, 2014, when:

      1. Wirtz Beverage has failed to employ at least 120 employees at the New Facility; or

      2. Wirtz Beverage and Bloom Heartland have failed to expend at least $7.25 million for land acquisition and capital improvements related to the New Facility, including without limitation costs of land acquisition, site work, building construction, furniture, fixtures, and equipment.
b. At the sole discretion of the District, at any time when Bloom Heartland or Wirtz Beverage is in material breach of the Agreement or this Resolution and has not cured such material breach within 60 days after written notice thereof from the District.

SECTION FOUR: The following conditions apply to the ongoing obligation to partially abate real estate taxes set forth in Section Two above:

a. Bloom Heartland and Wirtz Beverage agree, warrant and represent that they shall comply with all applicable federal, state and local laws, rules, regulations, ordinances, charters, statutes, codes, orders, policies and procedures relating to the Property.

b. Bloom Heartland and Wirtz Beverage shall provide access to and authorize inspection of the Property upon request of the District to ensure that the improvements are made according to the specifications and conditions of the Agreement and this Resolution. This audit will be the responsibility of the EDC to perform, and will occur no more than once annually.

SECTION FIVE: In the event Bloom Heartland or Wirtz Beverage is in breach of this Resolution or the Agreement is terminated prior to its natural expiration due to Bloom Heartland's or Wirtz Beverage's material breach of any provision of the Agreement, including, but not limited to Wirtz Beverage relocating all or substantially all of the New Facility or its operation outside the District's corporate boundaries or failing to employ at least 120 employees at the New Facility, then all taxes abated by the District pursuant to this Ordinance shall be due and payable to the District and the abatement of taxes pursuant to Section Two shall immediately cease.

SECTION SIX: Pursuant to the Agreement, the District may, in its sole discretion, extend the dates set forth in Section Three a.1. and 2. of the Agreement if Bloom Heartland or Wirtz Beverage reasonably demonstrates the necessity for any such extension(s).

SECTION SEVEN: Any statutory reference contained herein shall include any and all amendments thereto and replacements thereof.

SECTION EIGHT: This Resolution shall be in full force and effect upon its passage.

PASSED BY THE BOARD OF EDUCATION OF COMMUNITY UNIT SCHOOL DISTRICT NO. 5, MCLEAN AND WOODFORD COUNTIES, ILLINOIS, BY A MAJORITY VOTE THEREOF IN REGULAR AND PUBLIC SESSION THIS 9TH DAY OF JANUARY, 2013.

AYES: 7
NAYS: 0
ABSENT: 0
ATTEST:

Mark Pritchett
Secretary, Board of Education

John Puzauskas
President, Board of Education
EXHIBIT A – Tax Abatement Agreement
TAX ABATEMENT AGREEMENT

This Tax Abatement Agreement (the “Agreement”) is made this ___ day of __________, 2013, between Community Unit School District No. 5, McLean and Woodford Counties (the “District”) acting herein by Dr. Gary C. Niehaus, its Superintendent, hereunto authorized, Bloom Heartland, LLC ("Bloom Heartland"), a Delaware limited liability company, acting herein by _____________________, its _____________________, hereunto authorized, and Wirtz Beverage Illinois, LLC, (“Wirtz Beverage”) an Illinois limited liability company, acting herein by _____________________, its _____________________, hereunto authorized.

WHEREAS, tax abatement is a versatile tool economic developers use for projects related to business retention and attraction; and

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

WHEREAS, the Economic Development Council of the Bloomington-Normal Area (“EDC”), along with Bloom Heartland and Wirtz Beverage, have asked for tax abatements on the part of the local taxing bodies in support of Wirtz Beverage’s relocation to Bloomington; and

WHEREAS, all parties believe the economic development impact of this project will ultimately be advantageous to the community as a whole, through capital investment and job growth which stimulates retail growth, sales tax generation, diversification and economic vitality; and

WHEREAS, Wirtz Beverage wishes to relocate its mid-state headquarters facility to a new facility to be constructed (the "New Facility") on a parcel of land within Interchange West Subdivision, Bloomington, Illinois, which land is generally depicted on the survey attached hereto as Exhibit A (the “Property”); and

WHEREAS, Bloom Heartland is the contract purchaser of the Property; and

WHEREAS, Bloom Heartland and Wirtz Beverage intend to enter into a lease agreement pursuant to which Bloom Heartland, as lessor, will lease the New Facility to Wirtz Beverage (the "Lease"); and

WHEREAS, the Property is a portion of a larger parcel designated as tax parcel 13-36-400-012 (the "Tax Parcel"), which is 19.820 acres in size; and

WHEREAS, for purposes of this Agreement, the "Base EAV" of the Property will be deemed to be the 2011 assessed value of the Tax Parcel multiplied by a percentage equal to the ratio of the acreage of the Property to the acreage of the Tax Parcel (19.820 acres); and

WHEREAS, Illinois Statute 35 ILCS 200/18-165, in pertinent part, provides that:
(a) 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 10 years and the aggregate amount
of abated taxes for all taxing districts combined shall not exceed
$4,000,000.

WHEREAS, Wirtz Beverage is a distributor of spirits, wine, and beer that has an
opportunity to relocate its operations; and

WHEREAS, an estimated $7.25 million of investment will be made into the Property
during the course of this Agreement; and

WHEREAS, Bloom Heartland and Wirtz Beverage have requested a partial abatement of
real estate property taxes for a period of five (5) years based on their improvements to the
Property; and

WHEREAS, Bloom Heartland and Wirtz Beverage are requesting that the District grant
their request for said abatement as such abatement is more particularly described in this
Agreement, provided Bloom Heartland and Wirtz Beverage satisfy the further terms and
conditions set forth herein; and

WHEREAS, the District is willing to grant such abatement to Bloom Heartland and Wirtz
Beverage in accordance with the terms and conditions set forth in this Agreement;

NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL UNDERTAKINGS
HEREIN CONTAINED AND OTHER VALUABLE CONSIDERATION, THE PARTIES
HEREBY AGREE AS FOLLOWS:

SECTION ONE: The District has adopted a resolution conditionally and partially
abating the property taxes for the Property for a period of five years in the form attached hereto
as Exhibit B (the "Resolution"). The District agrees to adopt and file any other documents that
may be required from time to time to effectuate the abatements, including (if necessary) annual
abatement resolutions in the form of Exhibit B. Pursuant to Section Two of the Resolution, the
portion of real estate taxes levied against the Property that are attributable to an increase in
assessed value arising solely from Eligible Improvements (as defined in the Resolution) will be
all the real estate taxes abated.

SECTION TWO: This Agreement shall become effective upon its execution and shall
continue for a period of seven (7) years following its execution.
SECTION THREE: This Agreement is subject to early termination by the District immediately upon the occurrence of any of the following events:

a. At any time during the term of this Agreement after December 31, 2014, when:

1. Wirtz Beverage has failed to employ at least 120 employees at the New Facility; or

2. Wirtz Beverage and Bloom Heartland have failed to expend at least $7.25 million for land acquisition and capital improvements related to the New Facility, including without limitation costs of land acquisition, site work, building construction, furniture, fixtures, and equipment.

b. At the sole discretion of the District, at any time when Bloom Heartland or Wirtz Beverage is in material breach of this Agreement and has not cured such material breach within 60 days after written notice thereof from the District.

SECTION FOUR: Bloom Heartland and Wirtz Beverage agree, warrant and represent that they shall comply with all applicable federal, state and local laws, rules, regulations, ordinances, charters, statutes, codes, orders, policies and procedures relating to the Property.

SECTION FIVE: For so long as this Agreement shall remain in full force and effect, Bloom Heartland and Wirtz Beverage agree to provide access to and authorize inspection of the Property upon request of the District to ensure that the improvements are made according to the specifications and conditions of this Agreement. This audit will be the responsibility of the EDC to perform, and will occur no more than once annually.

SECTION SIX: In the event this Agreement is terminated prior to its natural expiration due to Bloom Heartland's or Wirtz Beverage's breach of any provision of this Agreement, including, but not limited to Wirtz Beverage relocating all or substantially all of the New Facility or its operation outside the District's corporate boundaries or failing to employ at least 120 employees at the New Facility, then all taxes abated by the District pursuant to this Agreement shall be repaid to the District within 30 days of District’s request. Additionally, any remaining abatement shall be cancelled and the District shall direct the County Clerk to not abate any portion of property taxes on the Property.

SECTION SEVEN: The District may, in its sole discretion, extend the dates set forth in Section Three a.1. and 2. of this Agreement, if Bloom Heartland or Wirtz Beverage reasonably demonstrates the necessity for any such extension(s).

SECTION EIGHT: 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 NINE: 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.

SECTION TEN: Any statutory reference contained herein shall include any and all amendments thereto and replacements thereof.

SECTION ELEVEN: Any notice required under this Agreement shall be given to the respective parties as follows:

To Wirtz Beverage and Bloom Heartland:

________________________
________________________
________________________

To the District:

Community Unit School District No. 5, McLean and Woodford Counties, Illinois
ATTN: Superintendent
1809 W. Hovey Ave.
Normal, Illinois 61761

With a copy to:

Economic Development Council of the Bloomington/Normal Area
Attn: Mr. Marty Vanags
200 West College Ave., Suite 402
Normal, IL 61761

Community Unit School District No. 5, McLean and Woodford Counties, Illinois

By __________________________
Gary Nichlaus, Superintendent
Attest: _________________________

Date: January 9, 2013

Wirtz Beverage Illinois, LLC

By __________________________
Attest: _________________________

Date: __________________________, 2013.
Bloom Heartland, LLC

By ________________________

Attest: ________________________

Date: ________________________, 2012

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EXHIBIT B - Pre-Project Assessment and Real Taxes