

ORDINANCE NO. 26 - _____

**AN ORDINANCE
APPROVING THE FIRST AMENDMENT
TO THE BLOCK 59 BUSINESS DISTRICT REDEVELOPMENT AGREEMENT
BETWEEN BRIXMOR HERITAGE SQUARE, LLC AND THE CITY OF NAPERVILLE**

RECITALS

1. **WHEREAS**, the City of Naperville (the “City”), is a home rule municipality under the Laws and the Constitution of the State of Illinois, and is enacting this Ordinance pursuant to its home rule authority and the Illinois Business District Redevelopment Act, 65 ILCS 5/11-74.3-1, et seq. (the “Act”); and
2. **WHEREAS**, Section 11-74.3-1(1) of the Act allows a municipality to determine that it is essential to the economic and social welfare of the municipality that business districts be developed, redeveloped, improved, maintained, and revitalized, that jobs and opportunity for employment be created within the municipality, and that, if blighting conditions are present, blighting conditions be eradicated by assuring opportunities for development or redevelopment, encouraging private investment, and attracting sound and stable business and commercial growth; and
3. **WHEREAS**, on March 21, 2023, the Corporate Authorities of the City approved Ordinance No. 23-039 and Ordinance No. 23-040 establishing the Block 59 Business District in the City of Naperville and imposing a Business District Retailers’ Occupation and Service Occupation Tax on sales of general merchandise within the Business District; and
4. **WHEREAS**, on March 21, 2023, the Corporate Authorities approved Ordinance No. 23-041 approving the Business District Redevelopment Agreement between Brixmor Heritage Square, LLC (the “Developer”) and the City (the “Original Agreement”), which provided for reimbursement to the Developer of up to \$13,400,000 in eligible Business District Project Costs for the Project described therein through the issuance of one or more developer notes payable solely from Business District Taxes; and
5. **WHEREAS**, the Developer has proposed an additional development project within the Business District at the Westridge Court shopping center consisting of the demolition of approximately 28,000 square feet of existing space combined with the construction of an approximately 54,154 square foot addition to an existing approximately 49,604 square foot structure to create approximately 97,000 square feet or more of Class A retail space for a new prospective tenant (the “Westridge Court Replacement Structure”); and

6. **WHEREAS**, the total project costs for the Westridge Court Replacement Structure are estimated at \$14,200,000, with extraordinary upfront costs of \$1,850,000 for demolition of an existing structure and reinforcement of a shared wall with an adjacent commercial space (the “Additional Business District Project Costs”); and
7. **WHEREAS**, the Developer has requested, and the City desires to provide, an additional \$1,850,000 in Business District assistance to reimburse the Additional Business District Project Costs on a pay-as-you-go basis from the existing 1% Business District tax following completion of the Westridge Court Replacement Structure; and
8. **WHEREAS**, to accommodate the above request, the Corporate Authorities are concurrently approving a First Amendment to the Block 59 Business District Plan (the “Plan Amendment”), which constitutes a minor amendment under Section 11-74.3-2(f) of the Act increasing the total estimated business district project costs by CPI adjustment plus five percent (5%) to allow the additional reimbursement within the statutory parameters without a public hearing; and
9. **WHEREAS**, the Westridge Court Replacement Structure will provide substantial public benefits extending beyond the limits of this particular development, including increased sales tax revenue available to the City, creation of construction jobs and ongoing employment, development and further activation of an underutilized site, attraction of a prominent retail tenant, and to support the ongoing events at the Block 59 Event Plaza; and
10. **WHEREAS**, the Corporate Authorities have determined that it is in the best interest of the City and its citizens to enter into a First Amendment to the Original Agreement (the “First Amendment”) to (i) recognize the Westridge Court Replacement Structure as part of the overall redevelopment efforts within the Business District, (ii) authorize reimbursement of the Additional Eligible Costs up to \$1,850,000 via a second developer note on a pay-as-you-go basis, and (iii) make such other changes as are necessary to implement the foregoing, all in a manner consistent with the amended Business District Plan and the Act; and
11. **WHEREAS**, the First Amendment, in substantially the form attached hereto as Exhibit A, has been submitted to the Corporate Authorities for consideration and review, and the Corporate Authorities have determined that the First Amendment is in the best interests of the City and its residents.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF NAPERVILLE, DUPAGE AND WILL COUNTIES, ILLINOIS, in exercise of its home rule authority that:

SECTION 1: The foregoing Recitals are substantive and incorporated herein as

though fully set forth in this Section 1. **Exhibit A** referenced in this Ordinance, and all exhibits attached thereto, shall be deemed incorporated herein and made part hereof.

SECTION 2: The City Council approves the First Amendment between Brixmor Heritage Square, LLC and the City of Naperville attached hereto as **Exhibit A**, subject to such technical and minor substantive revisions thereto as may be deemed acceptable to the City Attorney.

SECTION 3: The City Manager and the City Clerk of the City of Naperville are hereby authorized and directed to execute the First Amendment attached hereto as **Exhibit A**, subject to such technical and minor substantive revisions thereto as may be deemed acceptable to the City Attorney, and to execute all other documents and take all other actions necessary or appropriate to carry out the intent of this Ordinance and to complete the transactions contemplated by the First Amendment.

SECTION 4: If any section, paragraph or provision of this Ordinance is held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 5: This Ordinance shall be in full force and effect upon its passage and approval.

PASSED this _____ day of _____, 2026.

AYES:

NAYS:

ABSENT:

APPROVED this _____ day of _____, 2026.

Scott A. Wehrli, Mayor

ATTEST:

Dawn C. Portner, City Clerk