

STATE OF ILLINOIS
COMPTROLLER

SUSANA A. MENDOZA

Name of Municipality:	<u>O'Fallon</u>	Reporting Fiscal Year:	2019
County:	<u>St. Clair</u>	Fiscal Year End:	4 / 30 /2019
Unit Code:	088/110/30		

FY 2019 TIF Administrator Contact Information

First Name: Sandra	Last Name: Evans	
Address: 255 S. Lincoln	Title: Finance Director	
Telephone: 618-624-4500 ext 8723	City: O'Fallon	Zip: 62269
E-mail- required sevans@ofallon.org		

I attest to the best of my knowledge, that this FY 2019 report of the redevelopment project area(s)
in the **City/Village** of: O'Fallon
is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and/or
Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].

Written signature of TIF Administrator

Date _____

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT[illegible]

*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2019

Name of Redevelopment Project Area (below):

TIF #3 - Central Park

Primary Use of Redevelopment Project Area*: Combination/Mixed

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

Retain/other

If "Combination/Mixed" List Component Types: commercial

Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):

Tax Increment Allocation Redevelopment Act

X

Industrial Jobs Recovery Law

Please utilize the information below to properly label the Attachments.

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A).	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).		X
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).	X	
An analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage. [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, then Analysis MUST be attached and (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (labeled Attachment M).		X

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d))

Provide an analysis of the special tax allocation fund.

FY 2019

TIF #3 - Central Park

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ (96,675)

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 607,743	\$ 2,410,681	100%
State Sales Tax Increment	\$ -	\$ -	0%
Local Sales Tax Increment	\$ -	\$ -	0%
State Utility Tax Increment	\$ -	\$ -	0%
Local Utility Tax Increment	\$ -	\$ -	0%
Interest	\$ 245	\$ 245	0%
Land/Building Sale Proceeds	\$ -	\$ -	0%
Bond Proceeds	\$ -	\$ -	0%
Transfers from Municipal Sources	\$ -	\$ -	0%
Private Sources	\$ 1,000	\$ 1,000	0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ -	\$ -	0%

All Amount Deposited in Special Tax Allocation Fund \$ 608,988

Cumulative Total Revenues/Cash Receipts \$ 2,411,926 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	\$ 411,074
Transfers to Municipal Sources	\$ -
Distribution of Surplus	\$ 182,323

Total Expenditures/Disbursements \$ 593,397

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 15,591

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ (81,084)

* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

FY 2019

TIF NAME:

TIF #3 - Central Park

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment project costs)

PAGE 1

[illegible]

SECTION 3.2 A		
PAGE 2		
7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.		
		\$ -
9. Financing costs.		
		\$ -
10. Capital costs.		
Per intergovernmental agreement - Central School Dist	17,647	
		\$ 17,647
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		\$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		\$ -

SECTION 3.2 A

PAGE 3

13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
	-	
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 411,074

FY 2019

TIF NAME:

TIF #3 - Central Park

Optional: Information in the following sections is not required by law, but would be helpful in creating fiscal transparency.

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

[illegible]

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source

FY 2019

TIF NAME:

TIF #3 - Central Park

FUND BALANCE BY SOURCE

\$ (81,084)

Amount of Original Issuance	Amount Designated
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1. Description of Debt Obligations

Total Amount Designated for Obligations

\$	-	\$	-
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2. Description of Project Costs to be Paid

Menards Redevelopment Agreement		\$	1,944,040
Parkway Lakeside Apartments Redev Agreement		\$	210,420
Central Park Retail Center Redev Agreement		\$	416,337
Gander Mountain Redevelopment Agreement		\$	1,055,923
Central Park Plaza Condominiums Redev Agreement		\$	1,250,000
Fairfield Inn		\$	2,440,000
Due to General Fund for TIF related expenses		\$	85,454

Total Amount Designated for Project Costs

\$ 7,402,174

TOTAL AMOUNT DESIGNATED

\$ 7,402,174

SURPLUS/(DEFICIT)

\$ (7,483,258)

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2019

TIF NAME:

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Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X

**Check here if no property was acquired by the Municipality within the
Redevelopment Project Area.**

Property Acquired by the Municipality Within the Redevelopment Project Area.

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 20 ILCS 620/4.7 (7)(F)

PAGE 1

FY 2019

TIF Name:

TIF #3 - Central Park

Page 1 is to be included with TIF report. Pages 2 and 3 are to be included **ONLY** if projects are listed.Select **ONE** of the following by indicating an 'X':

1. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
--	--

2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment plan:	6

LIST **ALL** projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 34,237,240	\$ 6,410,000	\$ 44,625,000
Public Investment Undertaken	\$ 1,597,353	\$ 396,500	\$ 8,914,476
Ratio of Private/Public Investment	21 36/83		5

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Menards

Private Investment Undertaken (See Instructions)	\$ 23,700,000	\$ -	\$ 23,700,000
Public Investment Undertaken	\$ 1,325,776	\$ 300,000	\$ 3,269,817
Ratio of Private/Public Investment	17 85/97		7 1/4

Project 2*: Parkway Lakeside Apartments

Private Investment Undertaken (See Instructions)	\$ 42,240	\$ 10,000	\$ 230,000
Public Investment Undertaken	\$ 19,579	\$ 10,000	\$ 230,000
Ratio of Private/Public Investment	2 3/19		1

Project 3*: Central Park Retail Center

Private Investment Undertaken (See Instructions)	\$ 1,595,000	\$ -	\$ 1,595,000
Public Investment Undertaken	\$ 67,921	\$ 16,500	\$ 484,259
Ratio of Private/Public Investment	23 43/89		3 5/17

Project 4*: Central Park Plaza Retail Center

Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ 2,200,000
Public Investment Undertaken	\$ -	\$ -	\$ 1,250,000
Ratio of Private/Public Investment	0		1 19/25

Project 5*: CREI

Private Investment Undertaken (See Instructions)	\$ 8,900,000	\$ -	\$ 8,900,000
Public Investment Undertaken	\$ 184,077	\$ 70,000	\$ 1,240,400
Ratio of Private/Public Investment	48 29/83		7 7/40

Project 6*: Fairfield Inn

Private Investment Undertaken (See Instructions)	\$ -	\$ 6,400,000	\$ 8,000,000
Public Investment Undertaken	\$ -	\$ -	\$ 2,440,000
Ratio of Private/Public Investment	0		3 17/61

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. ***even though optional MUST be included as part of the complete TIF report**

SECTION 6
FY 2019

TIF NAME: TIF #3 - Central Park

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
5/7/2012	\$ 491,663	\$ 8,006,463

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

_____ Check if the overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
St Clair County	\$ 24,115
SWIC District #522	\$ 10,294
Central District #104	\$ 71,186
OFallon HS District #203	\$ 49,953
OFallon Library	\$ 3,869
Caseyville Rd	\$ 2,543
Caseyville Township	\$ 2,668
City of OFallon	\$ 17,695
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

SECTION 7

Provide information about job creation and retention:

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

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Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	



Certification of the Chief Executive
Officer of the municipality that the municipality
had complied with all of the requirements of this Act
during the preceding fiscal year
[65 ILCS 5/11-74.1-5 (d) (3) and 5/11-74.6-22 (d) (3)]

I, Herb Roach, the duly elected Mayor of the City of O'Fallon, County of St. Clair, Illinois, State of Illinois, and as such, do hereby certify that the City of O'Fallon has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the fiscal year covered by this report (May 1, 2018 – April 30, 2019).

10/24/19
Date

Herb Roach
Herb Roach
Mayor of the City of O'Fallon



“(C) An opinion of legal counsel that the municipality is in compliance with this Act.”
[65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)]

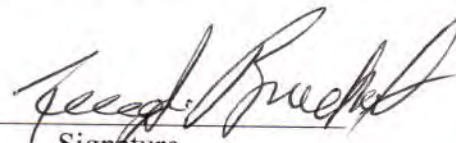
I, Terry Bruckert, am the Tax Increment Financing Attorney for the City of O'Fallon, Illinois and have been such throughout the fiscal year covered by this report (May 1, 2018- April 30, 2019).

I have reviewed all information provided to me by the City administration and staff, and I find that the City of O'Fallon, Illinois has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth hereunder to the best of my knowledge and belief.

This opinion relates only to the time period set forth and is based upon all information available to me as of the end of said fiscal year.

10-25-31

Date


Signature

TIF 3 – Central Park
City of O'Fallon
St. Clair County, Illinois

STATEMENT OF ACTIVITIES TO FURTHER
OBJECTIVES OF THE REDEVELOPMENT PLAN

Year Ended April 30, 2019

Menards

Menards is a retail hardware store that the City contracted with the developer to design, engineer, manage and finance construction of drives, sidewalks, sanitary sewer extensions, and other improvements. The project is complete as of 4/30/2014.

Parkway Lakeside Apartments

Parkway Lakeside Apartment Homes LLC is a Missouri limited liability company that the City has contracted with the developer to handle general repairs and maintenance in the floodway area. This includes but is not limited to grass cutting, installation and maintenance of a natural path, tree trimming, and removal of dead animals. Activity has taken place as dictated by the weather.

Central Park Retail Center

Greenmount Retail Center LLC has contracted with the City to construct a 9,800 square foot retail center to be known as the Central Park Retail Center. The improvements include but are not limited to the construction/reconstruction/relocation of utilities, parking lot, curbs, street improvements and landscaping, storm water detention and drainage and other infrastructure improvements. The project is complete as of 4/30/2014.

Central Park Plaza Retail Center

Central Park Plaza Condominiums LLC is a Missouri limited liability company that the City has contracted with the developer to handle site preparation, site improvement, mine remediation, construction of public works or improvements and water lines. To date there has been no activity.

Commercial Real Estate Investors

Commercial Real Estate Investors, LP is an Illinois limited partnership that the City has contracted with to construct Gander Mountain; a retail center focused on hunting, fishing, camping and other outdoor gear. The improvements include but are not limited to the construction/reconstruction/relocation of utilities, parking lot, curbs, street improvements and landscaping, storm water detention and drainage and other infrastructure improvements. The project is complete as of 4/30/2016. The building has been vacant since Gander Mountain closed in September 2017. The developer has two tenants opening summer 2019; Northern Tool is a retailer of tools and equipment for the do-it-yourselfer and professional, and Club Fitness Gym.

Road Extension

The City has retained a traffic engineering firm and a civil engineering firm to undertake traffic studies and to design improvements to the extension of Ashland Avenue. Based on the results, it has been determined that this project will not be pursued.

Central Park Lodging, LLC

Central Park Lodging, an Illinois limited liability company, that the City has contracted with the developer to construct a 50,000 square foot hotel with 108 rooms. The improvements will include support facilities such as utilities, street improvements, a parking lot and other necessary infrastructure.

CITY OF O'FALLON, ILLINOIS

ORDINANCE NO. 4075

**AN ORDINANCE OF THE CITY OF
O'FALLON WHICH AUTHORIZES THE
EXECUTION OF THE
REDEVELOPMENT AGREEMENT
WITH CENTRAL PARK LODGING, LLC**

WHEREAS, the City of O'Fallon, St. Clair County, Illinois (the "City") has the authority to adopt tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment ("TIF") Act, constituting Section 65 ILCS 5/11-74.4-1, et. seq., as amended (the "TIF Act"), to share a portion of the incremental tax revenue generated by the redevelopment project with the developer of such project to induce the developer's undertaking and performance of such project; and

WHEREAS, the City authorized preparation of a redevelopment plan entitled "City of O'Fallon, Illinois Tax Increment Financing Redevelopment Plan – Central Park Redevelopment Area" ("Redevelopment Plan"), with established geographic boundaries (hereinafter the "Redevelopment Project Area") for the City of O'Fallon, St. Clair County, Illinois; and

WHEREAS, in accordance with the TIF Act, the City (i) convened a joint review board which performed all actions required under the TIF Act, and (ii) held and conducted a public hearing with respect to the Redevelopment Plan and Redevelopment Project Area described in such Redevelopment Plan at a meeting of the Mayor and City Council (the "Council") held on April 2, 2012, notice of such hearing having been given in accordance with the TIF Act; and

WHEREAS, the Council, after giving all notices required by law, and after conducting all public hearings required by law, adopted the following ordinances:

1. Ordinance No. 3754, approving the Redevelopment Plan and Project,
2. Ordinance No. 3755, designating the Redevelopment Project Area, and
3. Ordinance No. 3753, adopting Tax Increment Financing for the Redevelopment Project Area and establishing a special tax allocation fund therefore ("Special Tax Allocation Fund"); and

WHEREAS, Central Park Lodging, LLC ("Developer") has submitted a Redevelopment Proposal providing for a redevelopment project to be undertaken by the Developer within a portion of the Redevelopment Project Area (the "Project Area"). The City and Developer reasonably expect that completion of the redevelopment project (as defined in the Redevelopment Agreement to be approved by this Ordinance) will generate additional tax revenues and economic activity in furtherance of the goals of the Redevelopment Plan; and

WHEREAS, the Council desires to enter into an agreement ("Redevelopment Agreement") with the developer to implement certain portions of the Redevelopment Plan and to enable the developer to carry out the development project; and

WHEREAS, the City is desirous of having the Project Area developed for such uses as identified in the Redevelopment Proposal in order to serve the needs of the community, to create jobs, to further the development of O'Fallon, and to produce increased tax revenues and enhance the tax base of the City and the various taxing districts which are authorized to levy taxes within the Redevelopment Area; and the City, in order to stimulate and induce the development of the Project, has agreed to apply TIF revenues under the TIF Act and the Redevelopment Plan to finance the reimbursable redevelopment project costs (as defined in the Redevelopment Agreement) with the Developer; and

WHEREAS, pursuant to the TIF Act, the City is authorized to enter into a Redevelopment Agreement with the Developer.

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and City Council of the City of O'Fallon, St. Clair County, Illinois, as follows:

1. That the preceding recitations in the upper part of this Ordinance are realleged, restated and adopted as paragraph one (1) of this Ordinance; and
2. The Council finds and determines that it is necessary and desirable to enter into an agreement with the Developer to implement certain portions of the Redevelopment Plan and to enable the Developer to carry out the Development Project; and
3. The Council hereby approves the Redevelopment Agreement in substantially the form attached hereto as Exhibit "A" ("Redevelopment Agreement").
4. The Mayor is hereby authorized and directed to execute, on behalf of the City, the Redevelopment Agreement between the City and Developer, and the City Clerk is hereby authorized and directed to attest to the Redevelopment Agreement and to affix the seal of the City thereto. The Redevelopment Agreement shall be in substantially the form attached hereto as Exhibit A, with such changes therein as shall be approved by the officers of the City executing the same, such official signatures thereon being conclusive evidence of their approval and the City's approval thereof; and
5. The City shall, and the officials, agents and employees of the City are hereby authorized and directed to, take such further action and execute such other documents, certificates and instruments as may be necessary or desirable to carry out and comply with the intent of this Ordinance; and
6. The sections, paragraphs, sentences, clauses and phrases of this Ordinance shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Ordinance is found by a court of competent jurisdiction to be invalid, the remaining portions of this Ordinance are valid; and
7. This Ordinance shall be governed exclusively by, and construed in accordance with, the applicable laws of the State of Illinois; and

9. All Ordinances, motions or orders in conflict herewith shall be, and the same hereby are, repealed to the extent of such conflict, and this Ordinance shall take effect and be in full force from and after the date of its passage by the City Council and approval by the Mayor as provided by law.

Herb Roach, Mayor

[illegible]

REDEVELOPMENT AGREEMENT

between

CITY OF O'FALLON, ILLINOIS

and

CENTRAL PARK LODGING, LLC

dated as of

Feb 27, 2019

**CITY OF O'FALLON, ILLINOIS TAX INCREMENT FINANCING REDEVELOPMENT PLAN
CENTRAL PARK REDEVELOPMENT AREA**

REDEVELOPMENT AGREEMENT

This Redevelopment Agreement (this "**Agreement**") is made and entered into as of the 27th day of February, 2019 by and between the City of O'Fallon Illinois, an Illinois municipal home rule corporation (the "**City**"), and CENTRAL PARK LODGING, an Illinois limited liability company, whose address is 1331 Park Plaza Dr., Ste. 4, O'Fallon, IL 62269 ("**CPL**").

RECITALS

The following Recitals are incorporated herein and made a part hereof.

A. The City has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety and welfare of the City and its inhabitants, to prevent the presence of blight, to encourage private development in order to enhance the local tax base, to increase additional tax revenues realized by the City, foster increased economic activity within the City, to increase employment opportunities within the City, and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes, and otherwise take action in the best interests of the City.

B. The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, as amended (the "**TIF Act**"), to finance redevelopment in accordance with the conditions and requirements set forth in the TIF Act.

C. Pursuant to the TIF Act, a plan for redevelopment known as the "City of O'Fallon, Illinois Tax Increment Financing Redevelopment Plan – Central Park Redevelopment Area" (the "**Redevelopment Plan**") for an area designated therein (the "**Redevelopment Project Area**"), consisting of approximately 145 acres, as legally described in the Redevelopment Plan and on **Exhibit A** hereto, has been prepared and reviewed by the City. Within the Redevelopment Project Area is a parcel of land designated as the "CPL Parcel," (defined below and legally described on **Exhibit B** hereto) which is the basis for this Agreement and described more fully within. CPL is the owner of the CPL Parcel.

D. In accordance with the TIF Act, the City (i) convened a Joint Review Board which performed all actions required under the TIF Act, and (ii) held and conducted a public hearing with respect to the Redevelopment Plan and the Redevelopment Project at a meeting of the City Council (the "**Corporate Authorities**") of the City held on April 2, 2012, notice of such hearing having been given in accordance with the TIF Act.

E. The Corporate Authorities, after giving all notices required by law and after conducting all public hearings required by law, adopted the following ordinances: (1) Ordinance No. 3754, approving the Redevelopment Plan, (2) Ordinance No. 3754, designating the Redevelopment Project Area, and (3) Ordinance No. 3753, adopting tax increment financing for the Redevelopment Project Area, which contains CPL's Parcel, and establishing a special tax allocation fund therefor (the "**Special Tax Allocation Fund**").

F. CPL has presented a Development Project to the City, to be undertaken by CPL and the City, in accordance with the terms and conditions of this Agreement.

G. CPL agrees to complete the CPL Improvements (as defined herein) in connection with CPL's Development Project, subject to the conditions herein and the City's performance of its obligations under this Agreement.

H. The City strongly supports increased economic development to provide additional jobs for residents of the City, to expand retail business and commercial activity within the City and to develop a healthy economy and stronger tax base. The City and CPL reasonably expect that completion of CPL's Development Project will generate additional tax revenues and economic activity in furtherance of the goals of the Redevelopment Plan.

I. It is necessary for the successful completion of CPL's Development Project that the City enter into this Agreement with CPL to provide for the redevelopment of CPL's Parcel within the larger Redevelopment Project Area, thereby implementing the Redevelopment Plan.

J. CPL is unable and unwilling to undertake the redevelopment of CPL's Parcel but for certain tax increment financing ("TIF") incentives to be provided by the City in accordance with the TIF Act and the home rule powers of the City, which the City is willing to provide under the terms and conditions contained herein. The parties acknowledge and agree that but for the TIF incentives to be provided by the City, CPL cannot successfully and economically develop CPL's Parcel in a manner satisfactory to the City. The City has determined that it is desirable and in the City's best interests to assist CPL in the manner set forth herein, and as this Agreement may be supplemented and amended.

K. CPL proposes to construct the CPL Improvements in connection with the CPL's Development Project on CPL's Parcel and has demonstrated to the City's satisfaction that CPL has the experience and capacity to complete the CPL Improvements.

L. The City, in order to stimulate and induce development of CPL's Parcel, has determined that it is in the best interests of the City to finance certain CPL's Development Project Costs through Incremental Property Taxes, all in accordance with the terms and provisions of the constitution and statutes of the State of Illinois, including the TIF Act and this Agreement.

M. The Corporate Authorities hereby determine that the implementation of CPL's Development Project and the fulfillment generally of the Redevelopment Plan are in the best interests of the City, and the health, safety, morals and welfare of its residents, and in accord with the public purposes specified in the Redevelopment Plan.

N. Pursuant to the provisions of the TIF Act, the City is authorized to enter into this Agreement to evidence the City's obligation to pay certain CPL's Development Project Costs incurred in furtherance of the Redevelopment Plan and CPL's Development Project, and to pledge the Incremental Property Taxes to the payment of the Reimbursable CPL's Development Project Costs to assist in financing of CPL's Development Project.

O. This Agreement has been submitted to the Corporate Authorities of the City for consideration and review, the Corporate Authorities have taken all actions required to be taken prior to the execution of this Agreement in order to make the same binding upon the City according to the terms hereof, and any and all actions of the Corporate Authorities of the City precedent to the execution of this Agreement have been undertaken and performed in the manner required by law.

P. CPL, is a duly formed and validly existing limited partnership under the laws of Illinois. The execution, delivery and performance of this Agreement by CPL has been duly and validly authorized by all necessary action on the part of CPL.

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

ARTICLE ONE

INCORPORATION OF RECITALS

The findings, representations and agreements set forth in the above recitals are material to this Agreement and are hereby incorporated into and made a part of this Agreement as though fully set out in this Article One, and constitute findings, representations and agreements of the City and of CPL according to the tenor and import of the statements in such recitals.

ARTICLE TWO

DEFINITIONS

For the purposes of this Agreement, unless the context clearly requires otherwise, words and terms used in this Agreement shall have the meanings provided from place to place herein, including above in the recitals hereto and as follows:

“Agreement” means this Redevelopment Agreement, as the same may be from time to time modified, amended or supplemented in writing by the parties hereto.

“Agreement Term” means the period beginning as of the effective date of the Redevelopment Plan and concluding within 16 years, or, if earlier, after all Reimbursable CPL’s Development Project Costs (described below) have been paid by the City to CPL.

“Approving Ordinance” means the ordinance(s) of the City to be adopted by the Corporate Authorities, from time to time, authorizing tax increment financing for the Redevelopment Project Area , and all related ordinances, resolutions and proceedings.

“Authorized City Representative” means the Mayor of the City, the City Administrator or designees or assigns.

“Business Day” means a day which is not a Saturday, Sunday or any other day on which banking institutions in New York, New York, or the city or cities in which the administrative offices or payment office of the Trustee is located, are required or authorized to close.

“Certificate of Substantial Completion” means a document substantially in the form of **Exhibit D** attached hereto and incorporated by reference herein, delivered by CPL to the City, in accordance with this Agreement in connection with and evidencing the substantial completion of CPL Improvements as identified on **Exhibit F** attached hereto.

“Certificate of Reimbursable CPL’s Development Project Costs” means a document, substantially in the form of **Exhibit E** attached hereto and incorporated by reference herein, provided by CPL to the City evidencing Reimbursable CPL’s Development Project Costs incurred by CPL with respect to CPL Improvements as identified on **Exhibit F** attached hereto, which CPL may submit to pay for Reimbursable CPL’s Development Project Costs associated with CPL Improvements.

“City” means the City of O’Fallon, St. Clair County, Illinois, an Illinois home rule municipality.

“City Attorney” means an attorney at law or firm of attorneys acceptable to the City and CPL and serving in such capacity at any time on behalf of the City, duly admitted to the practice of law before the highest court of the State of Illinois.

“City Council” means the City Council of the City of O’Fallon, Illinois.

“Commencement Date” means the first day of the month following the first month in which the City receives Incremental Property Taxes pursuant to the TIF Act and such other authority as shall be applicable or any successor statutory revenues that are attributable to CPL Improvements to be constructed within any portion of the Redevelopment Project Area pursuant to this Agreement.

“Concept Plan” means the plans for CPL’s Development Project, together with all supplements, amendments or corrections submitted by CPL and approved by the City in accordance with this Agreement, as set forth in **Exhibit C** hereto, as amended from time to time in accordance with this Agreement.

“Corporate Authorities” means the Mayor and the City Council.

“CPL’s Development Project” means the development project for CPL’s Parcel described in the Concept Plan attached hereto as **Exhibit C**, and consistent with the Redevelopment Plan.

“CPL’s Development Project Costs” means the sum total of all reasonable or necessary costs actually incurred in performing CPL’s Development Project and any such costs incidental to CPL’s Development Project which are authorized for reimbursement under the TIF Act and the Redevelopment Plan. **Exhibit G** provides an itemized list of such costs, which are available for reimbursement under the TIF Act and are included in the Reimbursable Redevelopment Project Costs under the Redevelopment Plan.

“CPL Improvements” and “Work” mean all work necessary to prepare CPL’s Parcel and to construct the improvements for CPL’s Development Project as more fully described on **Exhibit F** hereto, the completion of which shall be evidenced as set forth in the Certificate of Substantial Completion, and all other work reasonably necessary to effectuate the intent of this Agreement.

“CPL’s Parcel” means a parcel of real property located within the Redevelopment Project Area (defined below) that is approximately 2.66 acres, more or less, located on Lot 25C of the plat of Central Park Plaza 4th Addition Minor Replat of 25, in the City of O’Fallon, County of St. Clair and State of Illinois, and is depicted and more fully described in **Exhibit B**, upon which the CPL Improvements will be constructed by CPL.

“Governmental Approvals” means all plat approvals, re-zonings, text amendments or other zoning changes, site or development plan approvals, planned unit development approvals, conditional use permits, re-subdivisions or other subdivision approvals, variances, sign approvals, building permits, grading permits, occupancy permits or similar approvals, utility regulatory approvals, and other approvals pertaining to the roadway widenings and reconfigurations and intersection and other street improvements from the City, St. Clair County, the State of Illinois, the appropriate sewer and other utility authorities, the U.S. Army Corps of Engineers, the Illinois Department of Natural Resources, and other or similar approvals required for the implementation of CPL’s Development Project.

“Incremental Property Taxes” means that portion of the ad valorem taxes, if any, arising from the taxes levied upon CPL’s Parcel by any and all taxing districts or municipal corporations having the power to tax real property in CPL’s Parcel, which taxes are attributable to the increases in the then current

equalized assessed valuation of CPL's Parcel over and above the Total Initial Equalized Assessed Valuation of each such piece of property, all as determined by the County Clerk of the County of St. Clair, Illinois, pursuant to and in accordance with the TIF Act, and includes any replacement, substitute or amended taxes.

"Intergovernmental Agreement" means collectively any agreements and/or settlements entered into by and between the City and any taxing districts, including but not limited to the Central Scholl District No. 104 and O'Fallon High School District No. 203, pursuant to which the City may agree to pledge any portion of the Incremental Property Taxes generated each year within the Redevelopment Project Area to such taxing districts.

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, trust, or government or any agency or political subdivision thereof.

"Redevelopment Plan" means a plan entitled "City of O'Fallon, Illinois Tax Increment Financing Redevelopment Plan – Central Park Redevelopment Area" dated January 23, 2012, approved by the Corporate Authorities on May 7, 2012 pursuant to Ordinance No. 3754, as such plan may be amended from time to time.

"Redevelopment Project Area" means a certain area of the City known as the City of O'Fallon, St. Clair County, Illinois Tax Increment Finance District, and includes CPL's Parcel upon which CPL's Development Project will be implemented and constructed. The area consists of approximately 145 acres and is more particularly described in **Exhibit A** attached hereto and incorporated by reference herein.

"Reimbursable CPL's Development Project Costs" means those CPL's Development Project Costs that are eligible for reimbursement to CPL from Incremental Property Taxes under the Redevelopment Plan and the TIF Act in accordance with this Agreement. Such costs shall include, but not be limited to, all site development and land improvements (exclusive of land acquisition and retail building costs) necessary to implement CPL's Development Project, including but not limited to grading and site preparation, mine remediation, construction and/or relocation of streets, roads, sidewalks, sanitary sewers, water mains, drainage and storm water control and detention facilities, legal, engineering and similar design costs provided in conjunction with constructing the eligible improvements.

"Related Party" means any party or entity related to CPL by one of the relationships described in Section 267(b) of the Internal Revenue Code of 1986, as amended.

"Special Tax Allocation Fund" means the Special Tax Allocation Fund created pursuant to the TIF Act and Ordinance No. 3755 adopted by the City Council on May 7, 2012 and includes a CPL's Subaccount and any other subaccounts into which the Incremental Property Taxes are from time to time deposited in accordance with the TIF Act, any Approving Ordinance, and this Agreement.

"State" means the State of Illinois.

"Substantial Completion" or **"Substantially Complete"** or **"Substantially Completed"** means the date on which CPL delivers the Certificate of Substantial Completion with respect to a phase of the CPL Improvements component of CPL's Development Project to the City.

"TIF Act" means the Tax Increment Allocation Redevelopment Act found at 65 ILCS 5-11-74.4-1, *et seq.*, as amended.

“TIF Ordinance” means Ordinance No. 3753 adopted by the City Council on May 7, 2012, adopting tax increment financing for the Redevelopment Project Area, including CPL’s Parcel.

“Total Initial Equalized Assessed Valuation” means the total initial equalized assessed value of the taxable real property within CPL’s Parcel as determined by the County Clerk of the County of St. Clair, Illinois, for the calendar year 2013, in accordance with the provisions of Section 11-74.4-9 of the TIF Act.

ARTICLE THREE

CONSTRUCTION

This Agreement, except where the context by clear implication shall otherwise require, shall be construed and applied as follows:

- (a) Definitions include both singular and plural.
- (b) Pronouns include both singular and plural and cover all genders.
- (c) The word “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”.
- (d) Headings of Articles and Sections herein are solely for convenience of reference and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.
- (e) All exhibits attached to this Agreement shall be and are operative provisions of this Agreement and shall be and are incorporated by reference in the context of use where mentioned and referenced in this Agreement. In the event of a conflict between any exhibit and the terms of this Agreement, the Agreement shall control.
- (f) Any certificate, letter or opinion required to be given pursuant to this Agreement means a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth. Reference herein to supplemental agreements, certificates, demands, requests, approvals, consents, notices and the like means that such shall be in writing whether or not a writing is specifically mentioned in the context of use.
- (g) The Mayor, unless applicable law requires action by the Corporate Authorities, shall have the power and authority to make or grant or do those things, certificates, requests, demands, notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the City and with the effect of binding the City as limited by and provided for in this Agreement. CPL is entitled to rely on the full power and authority of the Persons executing this Agreement on behalf of the City as having been properly and legally given by the City.
- (h) In connection with the foregoing and other actions to be taken under this Agreement, and unless applicable documents require action by CPL in a different manner, CPL hereby designates its Managing Member, Darrell G. Shelton, as its authorized representative who

shall individually have the power and authority to make or grant or do all things, supplemental agreements, certificates, requests, demands, approvals, consents, notices and other actions required or described in this Agreement for and on behalf of CPL and with the effect of binding CPL in that connection (such individual being an “**Authorized CPL Representative**”). CPL shall have the right to change its Authorized CPL Representative by providing the City with written notice of such change which notice shall be sent in accordance with **Section 8.6** of this Agreement.

ARTICLE FOUR

DEVELOPER DESIGNATION AND REDEVELOPMENT PLAN

Section 4.1. CPL Designation. The City hereby selects CPL to perform or cause to be performed the Work related to the CPL Improvements and to construct or cause to be constructed the CPL Improvements as provided in this Agreement.

Section 4.2. Redevelopment Plan. The City and CPL agrees to cooperate in implementing CPL’s Development Project in accordance with the Redevelopment Plan and the parties’ respective obligations set forth in this Agreement.

ARTICLE FIVE

CONSTRUCTION OF CPL’S DEVELOPMENT PROJECT

Section 5.1. Performance of the Work.

(a) **CPL Improvements.** CPL shall advance funds for and commence and complete each of its obligations (or cause the completion of its obligations by entering into agreements with third parties) under this Agreement with respect to the acquisition, construction and completion of the CPL Improvements in accordance with this Agreement on or before December 31, 2021.

(b) **Construction Schedule.** The performance of CPL set forth in this section is premised on CPL receiving timely approval by the City Council of all planning approvals required to accommodate the Concept Plan, including uses requested by CPL for CPL’s Development Project and the timely review and issuance by the City of all Governmental Approvals within its control. Performance hereunder is also premised on the receipt by CPL, with a copy to the City, of an opinion of the City Attorney as to the validity and enforceability under Illinois law of this Agreement.

Section 5.2. Governmental Approvals; Extension of Time.

(a) **Parties to Cooperate.** The City agrees to cooperate with CPL and to expeditiously process and timely consider all applications for Governmental Approvals as received, all in accordance with the applicable City ordinances and laws of the State, and this Agreement. The parties specifically agree to use their best efforts to cooperate with each other to obtain all necessary permits and approvals by the Illinois Department of Transportation and other public entities necessary to carry out CPL’s Development Project. The City agrees to cooperate with CPL in CPL’s attempts to obtain all necessary approvals from any governmental or quasi-governmental entity other than the City and upon request of CPL, will promptly execute any applications or other documents (upon their approval by the

City) which CPL intends to file with such other governmental or quasi-governmental entities in connection with CPL's Development Project. The City shall further promptly respond to, or process, and consider reasonable requests of CPL for: applicable demolition permits, building permits; driveway permits; curb cut permits, or other permits necessary for the construction of CPL's Development Project.

(b) **Extension of Time.** Notwithstanding any provision of this Agreement to the contrary, CPL may, upon reasonable cause shown, request the Mayor or his designee to extend or waive times for performance. The Mayor or his designee may, but is not required to, consent to such extensions or waivers for a period not exceeding one year without further action by the Corporate Authorities. In the event that the Mayor or his designee extends or waives time for CPL's performance under **Section 5.1(a)** of this Agreement, the City's time for performance under **Section 5.1(b)** shall be extended to conform to CPL's extended time for performance.

Section 5.3. Concept Plan.

(a) **Approval of Concept Plan.** The Concept Plan, attached hereto as **Exhibit C** has been approved by the Corporate Authorities.

(b) **Changes.** CPL may make changes to the Concept Plan or any aspect thereof as site conditions or other issues of feasibility may dictate, as may be necessary or desirable to address the acquisition of additional real property to be included in CPL's Parcel or alterations in the description of the real property to be included in CPL's Parcel, or as may be necessary or desirable in the determination of CPL to enhance the economic viability of CPL's Development Project, in a manner consistent with applicable City ordinance. The Concept Plan shall also be deemed to be modified from time to time to reflect changes to the locations and configurations of the improvements which comprise CPL's Development Project to the extent such changes are initiated by CPL or are accepted by CPL in connection with the processing and approval of a concept plan, a site/improvement plan or other Governmental Approvals for CPL's Development Project.

Section 5.4. Construction of CPL Improvements.

(a) **Contracts/CPL to Control Construction.** CPL may enter into one or more construction contracts to complete the CPL Improvements. CPL shall have discretion and control, free from interference, interruption or disturbance, in all matters relating to the management, development, redevelopment, and construction of the CPL Improvements, provided that the same shall, in any event, conform to and comply with the terms and conditions of the Redevelopment Plan and this Agreement, and all applicable state and local laws, ordinances and regulations (including, without limitation, applicable zoning, subdivision, building and fire codes), subject to any variances and other Governmental Approvals.

(b) **Modification of Construction.** Subject to the provisions set forth in **Section 5.1(a)** regarding CPL Improvements, during the progress of CPL's Development Project, CPL may make such reasonable changes, including, without limitation, modification of the construction schedule, modification of the areas in which CPL's Development Project is to be performed or on which buildings or other improvements are to be situated, expansion or deletion of items, revisions to the locations and configurations of improvements, revisions to the areas and scope of CPL's Development Project, and any and all such other changes as site conditions or orderly development may dictate or as may be required to meet any reasonable requests of prospective tenants or purchasers of any portion of CPL's Parcel or as may be necessary or desirable, in the discretion of CPL, to enhance the economic viability of CPL's Development Project and as may be in furtherance of the general objectives of the Redevelopment Plan; provided, however, that CPL's Development Project as modified shall generally conform to the

development concept shown on the Concept Plan, and shall comply with applicable law and code, subject to any variances and other Governmental Approvals.

(c) **Modifications After Substantial Completion.** After Substantial Completion of the CPL Improvements, the remaining portion of CPL's Parcel may be regraded, reconfigured, redeveloped or otherwise modified, improvements within the remaining portion of CPL's Parcel may be reconfigured, expanded, contracted, remodeled, reconstructed, replaced, or otherwise modified, and new improvements may be added to the remaining portion of CPL's Parcel, and demolition may be undertaken in connection therewith, from time to time and in such manner as CPL (or its successor(s) in interest, as owner or owners of the affected portion(s) of CPL's Parcel) may determine, provided that any such modifications shall comply with applicable law and code, subject to any variances and other Governmental Approvals.

Section 5.5. Certificate of Substantial Completion.

(a) **CPL Improvements.** To establish the completion date of the CPL Improvements, CPL shall furnish to the City a Certificate of Substantial Completion upon completion of the CPL Improvements as described in **Exhibit F** attached hereto.

(b) **City Review.** The City shall, within thirty (30) days following delivery of the Certificate of Substantial Completion with respect to the CPL Improvements, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The certificates shall be deemed verified, and the Certificate of Substantial Completion shall be deemed accepted by the City unless, prior to the end of such thirty (30)-day period after delivery to the City of the Certificate of Substantial Completion, the City furnishes CPL with specific written objections to the status of performance based on failure of the construction to be in accordance with Governmental Approvals issued by the City, describing such objections and the measures required to correct such objections in reasonable detail. CPL shall use reasonable efforts to cure such objections. The City shall have no basis to object to the Certificate of Substantial Completion with respect to any aspect of the construction that was previously inspected and approved.

(c) **Recording Certificates of Substantial Completion.** Upon acceptance of the Certificate of Substantial Completion of the CPL Improvements by the City or upon the lapse of thirty (30) days after delivery thereof to the City without any written objections by the City or request by the City for additional time for review, not to exceed an additional ten (10) days, CPL may record the Certificate of Substantial Completion with respect to each phase of the CPL Improvements with the St. Clair County Recorder, and the same shall constitute evidence of the satisfaction of CPL's agreements and covenants to perform the Work with respect to such phase (as applicable) of the CPL Improvements pursuant to this Agreement.

ARTICLE SIX

REIMBURSEMENT OF DEVELOPMENT COSTS

Section 6.1. Pledge of Incremental Property Taxes. In consideration of CPL's undertaking of CPL's Development Project and construction of the CPL Improvements, including the incurring of Reimbursable Redevelopment Project Costs under the Redevelopment Plan, the City hereby pledges and agrees to apply the Incremental Property Taxes generated from CPL's Parcel and deposited into the Special Tax Allocation Fund in accordance with this Agreement to pay Reimbursable CPL's

Development Project Costs incurred by CPL. Except for a total of up to fifty percent (50%) of Incremental Property Taxes to be designated as "surplus funds" and/or distributed pursuant to the Intergovernmental Agreement, the City agrees that during the Agreement Term, the City shall not further encumber or pledge any portion of the Incremental Property Taxes generated from CPL's Parcel to any other project or obligation or take any action inconsistent with the terms and intent of this Agreement.

Section 6.2. Reimbursable CPL's Development Project Costs. Upon completion of CPL's Development Project, CPL may deliver to the City a Certificate of Reimbursable CPL's Development Project Costs in substantially the same form as **Exhibit G** attached hereto for all Reimbursable CPL's Development Project Costs incurred. CPL shall, at the City's request, provide itemized invoices, receipts or other information, if any, requested by the City to confirm that any such costs are so incurred and do so qualify. CPL shall also certify that such costs are eligible for reimbursement under the TIF Act. The City's finance director (or designee as the case may be), shall approve or disapprove a request for payment by written notice to CPL within 90 days after receipt of the request. Approval of a request will not be unreasonably withheld. If a request is disapproved, the reasons for disapproval will be set forth in writing; and CPL shall resubmit the request with such additional information as may be required, and the same procedures as set forth herein for the initial submission shall apply for such resubmittals.

Upon approving the Certificate, or the Certificate being deemed approved, the City shall issue to CPL a non-recourse note ("CPL TIF Note") which identifies the total amount the City will pay CPL for Reimbursable CPL's Development Project Costs which are eligible for reimbursement in accordance with the TIF Act and this Agreement.

(a) Reimbursement of approved Project costs shall be made annually no later than April 30th and upon receipt from the County of the property tax proceeds for the applicable tax year. Approved Project costs shall only be reimbursed to the extent that tax increment is generated by the Property and if there are monies available for such purpose. To the extent money is not available to reimburse the Developer for approved Project costs, such costs shall be reimbursed in subsequent years.

(b) Prior to making an annual payment to the Developer for reimbursement of approved redevelopment project costs, the Developer shall provide evidence that the real property tax bill for the Property for the applicable tax year has been paid in full.

(c) The City's Finance Department shall maintain an account of all payments to the Developer under this Agreement and may set up sub-accounts to track the tax increment, and payments made to the Developer for this Property.

(d) THE CITY'S OBLIGATIONS TO REIMBURSE THE DEVELOPER UNDER THIS AGREEMENT IS A LIMITED OBLIGATION PAYABLE SOLELY FROM INCREMENTAL TAXES GENERATED BY THE PROJECT ON THE PROPERTY AND DEPOSITED IN THE CITY'S FUNDS FROM TIME TO TIME AND SHALL NOT BE A GENERAL OBLIGATION OF THE CITY OR SECURED BY THE FULL FAITH AND CREDIT OF THE CITY.

(e) The City's obligations to reimburse the Developer for eligible TIF Project Costs associated with this Project, pursuant to Section 3 of this agreement, shall terminate upon the occurrence of the following:

1. Developer's voluntary or involuntary bankruptcy.
2. Substantial change in the nature of the Developer's business without the City's written approval. "Business" shall be defined as the initial business conducted in the building upon the issuance of an occupancy permit and shall be construed broadly.;

3. Sale of the Developer's building without the City's written approval (which shall not be unreasonably withheld, conditioned or delayed) provided however Developer shall have the right to sell the building without City approval (i) to an affiliate (defined as an entity in which Developer's present principal ownership owns at least 51%) or (ii) to an entity that will continue to operate the building in conformity with Developer's Business ;
4. Relocation of Developer's Business without the City's written approval (which shall not be unreasonably withheld, conditioned or delayed).

ARTICLE SEVEN

SPECIAL TAX ALLOCATION FUND; COLLECTION AND USE OF INCREMENTAL PROPERTY TAXES

Section 7.1. Certificate of Total Initial Equalized Assessed Value. The City will provide to CPL, simultaneous with the execution of this Agreement, a true, correct and complete copy of the calculation by the County Clerk of The County of St. Clair, Illinois, of the Total Initial Equalized Assessed Value of all taxable property within the Redevelopment Project Area, determined pursuant to the TIF Act, which calculation shall include a separate calculation of the Total Initial Equalized Assessed Value of CPL's Parcel upon which the CPL Improvements are to be constructed.

Section 7.2 Special Tax Allocation Fund.

(a) Establishment of the Special Tax Allocation Fund and Other Funds and Accounts. The City hereby agrees to cause its Treasurer to establish and maintain funds in a City of O'Fallon, Illinois Special Tax Allocation Fund ("Special Tax Allocation Fund") as well as a CPL's Subaccount and any other accounts or subaccounts as required by the TIF Ordinance and this Agreement.

The Special Tax Allocation Fund shall be maintained by the City as a separate and distinct trust and the moneys therein shall be held, managed, invested, disbursed, and administered by the City. Except for the amounts of Incremental Property Taxes to be distributed pursuant to any Intergovernmental Agreement and/or applied by the City in accordance with the Redevelopment Plan, all moneys deposited in the Special Tax Allocation Fund shall be used solely for the purposes set forth in the applicable Approving Ordinance and as provided herein. The City's Treasurer shall keep and maintain adequate records pertaining to the Special Allocation Fund and any accounts required by the TIF Ordinance and all disbursements therefrom.

(b) Deposits into the Special Tax Allocation Fund. All TIF Revenues generated from CPL's Parcel and any taxes, fees, or assessments subsequently enacted and imposed in substitution therefor and allocable to such accounts to the extent authorized by law shall be deposited into the Special Tax Allocation Fund as soon as they become available; provided, however, that CPL's Reimbursable Development Project Costs are limited to fifty percent (50%) of the TIF Revenues generated from the CPL Parcel. The City agrees to apply any and all interest earnings from moneys on deposit in the Special Tax Allocation Fund to be applied as provided in **Section 7.3** of this Agreement.

Except for the amounts of the Incremental Property Taxes to be distributed pursuant to any Intergovernmental Agreement (which shall not exceed fifty percent [50%] of the Incremental Property Taxes) and/or applied by the City in accordance with the Redevelopment Plan, the City agrees that during the Agreement Term, the City shall not further encumber or pledge, on a superior or parity lien basis, any

portion of the Incremental Property Taxes to be deposited in or on deposit in and to the credit of the Special Tax Allocation Fund or take any action inconsistent with the terms and intent of this Agreement.

Section 7.3. Application of Incremental Property Taxes. The City hereby agrees to apply fifty percent (50%) of all Incremental Property Taxes generated from the CPL Parcel as provided in this Agreement as follows:

(a) first, transfer to CPL an amount sufficient to pay the outstanding amount due to CPL for all Reimbursable CPL's Development Project Costs and CPL Improvements, up to but not to exceed CPL's Development Project Costs identified in Exhibit G; and

(b) second, transfer any remaining amount to the City for application in accordance with this Agreement.

Section 7.4. Cooperation in Determining Incremental Property Taxes. The City and CPL (or its successors in interest as owner or owners of any portion of CPL's Parcel) agree to cooperate and take all reasonable actions necessary to cause the Incremental Property Taxes to be paid into the fund and accounts pursuant to this Agreement, including the City's enforcement and collection of all such payments through all reasonable and ordinary legal means of enforcement.

ARTICLE EIGHT

GENERAL PROVISIONS

Section 8.1. Successors and Assigns.

(a) **Agreement Binding on Successors.** This Agreement shall be binding on and shall inure to the benefit of the parties named herein and their respective heirs, administrators, executors, personal representatives, successors and assigns.

(b) **Assignment.** Until Substantial Completion of the CPL Improvements, the rights, duties and obligations of CPL under this Agreement may not be assigned in whole or in part without the prior written approval of the City, which approval shall not be unreasonably withheld or delayed and shall be given upon a reasonable demonstration by CPL of the proposed assignee's experience and financial capability to undertake and complete such portions of the Work or any component thereof proposed to be assigned, all in accordance with this Agreement; provided, however, nothing herein shall prevent CPL from entering into retail leases with respect to the retail center to be constructed on the CPL Parcel allowing such retail tenants to perform tenant improvement work prior to Substantial Completion of the CPL Improvements. All or any part of CPL's Parcel or any interest therein may be sold, transferred, encumbered, leased, or otherwise disposed of at any time following Substantial Completion of the CPL Improvements, and the rights of CPL named herein or any successors in interest under this Agreement or any part hereof may be assigned. Upon CPL's transfer or conveyance of any part of or interest in CPL's Parcel or assignment of any interest under this Agreement, as authorized by and pursuant to the provisions of this subparagraph, CPL shall be released from further obligation under this Agreement with respect to such Redevelopment Project Area interest conveyed or rights assigned and such Redevelopment Project Area interest conveyed shall be released from further obligation under this Agreement.

(c) **City Consent to Assignment.** Notwithstanding any provision herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with, (a) the right

of CPL to encumber or collaterally assign its interest in CPL's Parcel or any portion thereof to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of CPL's Development Project Costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment; and (b) the right of CPL to assign CPL's rights, duties and obligations under this Agreement to a Related Party or among entities comprising CPL. Notwithstanding any provision hereof to the contrary, the City hereby approves, and no prior consent shall be required in connection with CPL's sale or lease of individual portions of CPL's Parcel or subdivided lots in the course of the development of CPL's Development Project and any Redevelopment Project Area interest conveyed shall be released from further obligation under this Agreement.

Section 8.2. Remedies. Except as otherwise provided in this Agreement and subject to CPL's and the City's respective rights of termination hereof as set forth in **Sections 10.2 and 10.3**, in the event of any default in or breach of any term or condition of this Agreement by either party, or any successor, the defaulting or breaching party (or successor) shall, upon written notice from the other party (or successor), proceed immediately to cure or remedy such default or breach, and, shall, in any event, within sixty (60) days after receipt of notice, commence to cure or remedy such default. If such cure or remedy is not taken or not diligently pursued, or the default or breach is not cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, provided that such legal proceedings shall only affect property as to which such default or breach exists and shall not affect any other rights established in connection with this Agreement or any other property in CPL's Parcel which has been or is being developed or used in accordance with the provisions of this Agreement.

Section 8.3. Force Majeure and Other Extensions of Time for Performance.

(a) Force Majeure. Neither the City nor CPL nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended, in the event of any delay in CPL's construction of any phase of CPL's Development Project caused by force majeure, including, without limitation, for purposes of this Agreement, legal proceedings which restrict or impair the orderly development of any phase of CPL's Development Project (including, but not limited to, condemnation or eminent domain proceedings), orders of any kind of any court or governmental body which restrict or impair the orderly development of any phase of CPL's Development Project, strikes, lockouts, labor disputes, labor shortages, riots, acts of God, epidemics, landslides, lightning, earthquake, fire or other casualties, breakage, explosions, storms, washouts, droughts, tornadoes, cyclones, floods, adverse weather conditions, unusually wet soil conditions, mine subsidence, war, invasion or acts of a public enemy, serious accidents, arrests, failure of utilities, governmental restrictions or priorities, failure to timely process or issue any permits and/or legal authorization by necessary governmental entity, including Governmental Approvals, failure of utilities to timely extend service to the site, shortage or delay in shipment of material or fuel, any actual or threatened litigation relating to the validity of this Agreement, the designation of CPL's Parcel, the Redevelopment Plan, CPL's Development Project, the adoption of tax increment financing under the TIF Act within CPL's Parcel, the City's use and pledge of the Incremental Property Taxes pursuant to this Agreement, or any of the ordinances approving the same, or other causes beyond the responsible party's reasonable control. The party claiming any extension caused by force majeure shall have the burden of proof in establishing such cause.

(b) Extension of Time for Performance. In addition to the foregoing, periods provided herein for commencement or Substantial Completion of any phase of the CPL Improvements shall be automatically extended for periods of delay in obtaining required planning approvals with respect

to CPL's Parcel or Governmental Approvals, and may also be extended, for reasonable cause, from time to time, upon application of CPL to the City Council and upon finding by the City Council that the requested delay is reasonably justified, does not materially affect the ultimate completion of the phase of the CPL Improvements.

Section 8.4. Actions Contesting the Validity and Enforceability of the Development Plan, the Agreement and Related Matters. If a third party brings an action against the City or the City's officials, agents, employees or representatives contesting the validity or legality of CPL's Parcel, any portion thereof, this Agreement, the designation of CPL's Parcel, the Redevelopment Plan, CPL's Development Project, the adoption of tax increment financing under the TIF Act within CPL's Parcel, the City's use and pledge of the Incremental Property Taxes pursuant to this Agreement, or any of the ordinances approving the same, the City shall promptly, and in any event prior to filing any responsive pleadings, notify CPL in writing of such claim or action. CPL may, at its option, assume the defense of such claim or action (including, without limitation, to settle or compromise any claim or action for which CPL has assumed the defense and as to which CPL will pay the costs and amounts of any such settlement or compromise) with counsel of CPL's choosing, and the parties expressly agree that so long as no conflicts of interest exist between them, the same attorney or attorneys may simultaneously represent the City and CPL in any such proceeding. Subject to the provisions of the TIF Act and this Agreement, all costs incurred by CPL and the City, as authorized by the Redevelopment Plan and this Redevelopment Agreement, shall be deemed to be Reimbursable CPL's Development Project Costs and reimbursable from moneys in the Special Tax Allocation Fund, subject to **Article VI and Article VII** hereof. In the event CPL does not elect to assume the defense of such claim or action, the City shall undertake such defense, shall copy CPL and its counsel on all correspondence relating to any such action, shall consult with CPL and its counsel throughout the course of any such action, and shall not settle or compromise any claim or action without CPL's prior written consent.

Section 8.5. Insurance. Prior to the commencement of construction of any buildings that are part of CPL Improvements, CPL shall obtain or shall ensure that CPL obtains workers' compensation and comprehensive general liability insurance coverage in amounts customary in the industry for similar type projects; provided, the City shall not be named as an "additional insured" with respect to any insurance policies and shall not have any rights or claims under any such insurance policies.

Section 8.6. Notice. Any notice, demand, or other communication required by this Agreement to be given by either party hereto to the other shall be in writing and shall be sufficiently given or delivered if dispatched by certified United States first class mail, postage prepaid, or delivered personally, or if deposited with a nationally recognized overnight courier service prepaid and specifying the overnight delivery and addressed to the party at its address as provided herein:

If to City:	City Clerk City of O'Fallon 255 South Lincoln O'Fallon, Illinois 62269
And:	Terry Bruckert Bruckert, Gruenke & Long, P.C. 1002 East Wesley Drive, Suite 100 O'Fallon, Illinois 62269
And:	Todd Fleming Fleming & Fleming 100 East 1 st Street

O'Fallon, Illinois 62269

If to CPL: Central Park Lodging, LLC
1331 Park Plaza Dr., Ste. 4
O'Fallon, IL 62269

And: Lynn T. Goessling
Herzog Crebs LLP
100 N. Broadway, 14th Floor
St. Louis, MO 63102

or to such other address with respect to either party as that party may, from time to time, designate in writing and forward to the other as provided in this paragraph.

Section 8.7. Conflict of Interest. No member of the Corporate Authorities, the Joint Review Board, or any branch of the City's government who has any power of review or approval of any of CPL's undertakings, or of the City's contracting for goods or services for CPL's Parcel, shall participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. As provided in the TIF Act, any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the City Council the nature of such interest and seek a determination by the City Council with respect to such interest and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

Section 8.8. Choice of Law. This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by the laws of the State of Illinois for all purposes and intents.

Section 8.9. Entire Agreement; Amendment. The parties agree that this Agreement constitutes the entire agreement between the parties and that no other agreements or representations other than those contained in this Agreement have been made by the parties. This Agreement shall be amended only in writing and effective when signed by the authorized representatives of both parties.

Section 8.10. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute one and the same instrument.

Section 8.11. Severability. If any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

Section 8.12. Representatives Not Personally Liable. No official, agent, employee, City Attorney, or representative of the City (the "City Representatives") shall be personally liable to CPL, and no shareholder, director, officer, agent, employee, consultant or representative of CPL shall be personally liable to the City or the City Representatives in the event of any default or breach by any party under this Agreement, or for any amount which may become due to any party under the terms of this Agreement.

Section 8.13. Recordation of Agreement. The parties agree to record a memorandum of this Agreement with the St. Clair County Recorder of Deeds. The City shall pay the recording fees for same.

Section 8.14. Third Parties. Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other person other than the City and CPL, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to either the City or CPL, nor shall any provision give any third parties any rights of subrogation or action over or against either the City or CPL. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

Section 8.15. No Joint Venture, Agency or Partnership. Nothing in this Agreement, or any actions of the parties to this Agreement, shall be construed by the parties or any third person to create the relationship of a partnership, agency or joint venture between or among such parties.

Section 8.16. Repealer. To the extent that any ordinance, resolution, rule, order or provision of the City's code of ordinances, or any part thereof, is in conflict with the provisions of this Agreement, the provisions of this Agreement shall be controlling, to the extent lawful.

ARTICLE NINE

RELEASE AND INDEMNIFICATION

Section 9.1. City. The City and its governing body members, officers, agents and employees and the City Attorney and Special TIF Consesl shall not be liable to CPL for damages or otherwise in the event that all or any part of the TIF Act, the Redevelopment Plan, CPL's Development Project or this Agreement is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either the City is prevented from performing any of the covenants and agreements herein or CPL is prevented from enjoying the rights and privileges herein; provided that nothing in this paragraph shall limit: (i) Claims by CPL to Incremental Property Taxes pledged to payment of Reimbursable CPL's Development Project Costs pursuant to this Agreement, or (ii) Actions by CPL seeking specific performance of this Agreement, other relevant contracts, or of zoning or planning approvals or Governmental Approvals issued by the City.

All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its governing body members, officers, agents, servants or employees in their individual capacities. No elected or appointed official, employee or representative of the City shall be personally liable to CPL in the event of a default or breach by any party under this Agreement.

The City releases from, and covenants and agrees that CPL, its members, officers, agents, and employees shall not be liable for any and all claims, suits, damages, expenses or liabilities arising out of (1) the acquisition of the portion of CPL's Parcel owned by CPL, (2) the operation of all or any part of CPL's Parcel, or the condition of CPL's Parcel, including, without limitation, any environmental cost or liability, (3) negotiations, inspections, acquisitions, preparations, construction, leasing, operations, and other activities of the City or its agents in connection with or relating to CPL's Development Project or CPL's Parcel, except for matters arising out of the negligence or malfeasance, misfeasance or nonfeasance of CPL or any official, agent, employee, consultant, contractor or representative of CPL.

Section 9.2. CPL. CPL releases from, and covenants and agrees that the City and its governing body members, officers, agents, and employees and the City Attorney shall not be liable for any and all claims, suits, damages, expenses or liabilities arising out of (1) the acquisition of the portion of CPL's Parcel owned by CPL, (2) the operation of all or any part of CPL's Parcel, or the condition of CPL's Parcel, including, without limitation, any environmental cost or liability, (3) negotiations, inspections, acquisitions, preparations, construction, leasing, operations, and other activities of CPL or its agents in connection with or relating to CPL's Development Project or CPL's Parcel, and (4) any loss or damage to CPL's Parcel or any injury to or death of any person occurring at or about or resulting from any defect in the performance of the CPL Improvements, except for matters arising out of the negligence or malfeasance, misfeasance or nonfeasance of the City or any official, agent, employee, consultant, contractor or representative of the City.

ARTICLE TEN

TERM

Section 10.1. Term of Agreement. This Agreement, and all of the rights and obligations of the parties hereunder, shall terminate on expiration of the Agreement Term; provided that this Agreement may terminate sooner upon the earlier of the delivery of a written notice by CPL or the City (and recordation of a copy of such notice with the St. Clair County Recorder) that this Agreement has been terminated pursuant to **Section 10.2, 10.3 or 10.4** hereof.

Section 10.2. CPL's Right of Termination. CPL has the right to terminate this Agreement at any time upon not less than sixty (60) days written notice to the City.

Section 10.3. City's Right of Termination. The City may only terminate this Agreement if CPL fails to satisfy the provisions of **Section 5.1(a)** within the times specified therein and on such termination all rights and obligations of CPL and the City hereunder shall terminate.

Section 10.4. Cancellation. In the event CPL or the City shall be prohibited, in any material respect, from performing covenants and agreements or enjoying the rights and privileges herein contained, or contained in the Redevelopment Plan, including CPL's duty to construct CPL Improvements, by the order of any court of competent jurisdiction, or in the event that all or any part of the TIF Act or any ordinance or resolution adopted by the City in connection with CPL's Development Project, shall be declared invalid or unconstitutional, in whole or in part, by a final decision of a court of competent jurisdiction and such declaration shall materially affect the Redevelopment Plan or the covenants and agreements or rights and privileges of CPL or the City, then and in any such event, the party so materially affected may, at its election, cancel or terminate this Agreement in whole (or in part with respect to that portion of CPL's Development Project materially affected) by giving written notice thereof to the other within thirty (30) days after such final decision or amendment. If the City terminates this Agreement pursuant to this **Section 10.4**, the cancellation or termination of this Agreement shall have no effect on the authorizations granted to CPL for buildings permitted and under construction to the extent permitted by said court order; and the cancellation or termination of this Agreement shall have no effect on perpetual easements contained in any recorded, properly executed document.

Section 10.5. Obligations Remain Outstanding. On termination of this Agreement pursuant to **Sections 10.2, 10.3 or 10.4**, all outstanding obligations of the City to reimburse CPL from Incremental Property Taxes, and its outstanding CPL TIF Note, as the case may be, shall remain outstanding. If CPL has submitted to the City, within 60 days after the termination of this Agreement pursuant to this section,

a Certificate of Reimbursable CPL's Development Project Costs, but the City has not yet approved such certificate, the City shall review and process such certificates in accordance with **Section 5.5** hereof.

ARTICLE ELEVEN

REPRESENTATIONS OF THE PARTIES

Section 11.1. Representations of the City. The City hereby represents and warrants that (a) the City has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver this Agreement and to perform all terms and obligations of this Agreement, and (b) this Agreement constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

Section 11.2. Representations of CPL. CPL hereby represents and warrants that (a) CPL has full power to execute and deliver and perform the terms and obligations of this Agreement, and all of the foregoing has been duly and validly authorized by all necessary corporate proceedings, and (b) this Agreement constitutes the legal, valid and binding obligation of CPL, enforceable in accordance with its terms.

ARTICLE TWELVE

EFFECTIVENESS

The Effective Date for this Agreement shall be the day on which this Agreement is approved by the City, with said date being inserted on page 1 hereof.

IN WITNESS WHEREOF, the City and CPL have caused this Agreement to be executed in their respective names and caused their respective seals to be affixed thereto, and attested as to the date first above written.

(SEAL)

CITY OF O'FALLON, ILLINOIS



Attest:

By: 

Name: Jerry Mouser

Title: City Clerk

By: 

Name: Herb Roach

Title: Mayor

Approved as to Form:

By: 

Name: Terry Bruckert

Title: Special TIF Counsel

CENTRAL PARK LODGING, LLC, an Illinois
limited liability company

By: 

Name: Darrell Shelton

Title: Managing Member

STATE OF ILLINOIS)
)
COUNTY OF ST. CLAIR)

On this 25th day of February, 2019, before me appeared Darrell Shelton, who being, by me duly sworn, did say that he is the Mayor, City of O'Fallon, Illinois, a home rule unit of government of the State of Illinois, and did say that the seal affixed to the foregoing instrument is the seal of said City, and that said instrument was signed and sealed on behalf of said City, by authority of the City Council of the City; and said Mayor acknowledged said instrument to be the free act and deed of said City.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Vicki A. Evans
Notary Public

My term expires:

December 6, 2022



EXHIBIT A

LEGAL DESCRIPTION OF THE REDEVELOPMENT PROJECT AREA

EXHIBIT B

LEGAL DESCRIPTION OF CPL'S PARCEL

LOT 25C OF "CENTRAL PARK PLAZA 4TH ADDITION, 1ST AMENDMENT" "A MINOR RE-PLAT OF LOTS 25, 25A, 27, 27A AND 29, OF CENTRAL PARK PLAZA 4TH ADDITION" BEING A PART OF THE SOUTHEAST QUARTER OF SECTION 36, TOWNSHIP 2 NORTH, RANGE 8 WEST OF THE THIRD PRINCIPAL MERIDIAN, CITY OF O'FALLON, ILLINOIS, ST. CLAIR COUNTY, ILLINOIS; REFERENCE BEING HAD TO THE PLAT THEREOF RECORDED IN THE RECORDER'S OFFICE OF ST. CLAIR COUNTY, ILLINOIS, IN BOOK OF PLATS "104" ON PAGES 9 AND 10 AS DOCUMENT NO. A01830816.

EXHIBIT C

CONCEPT PLAN

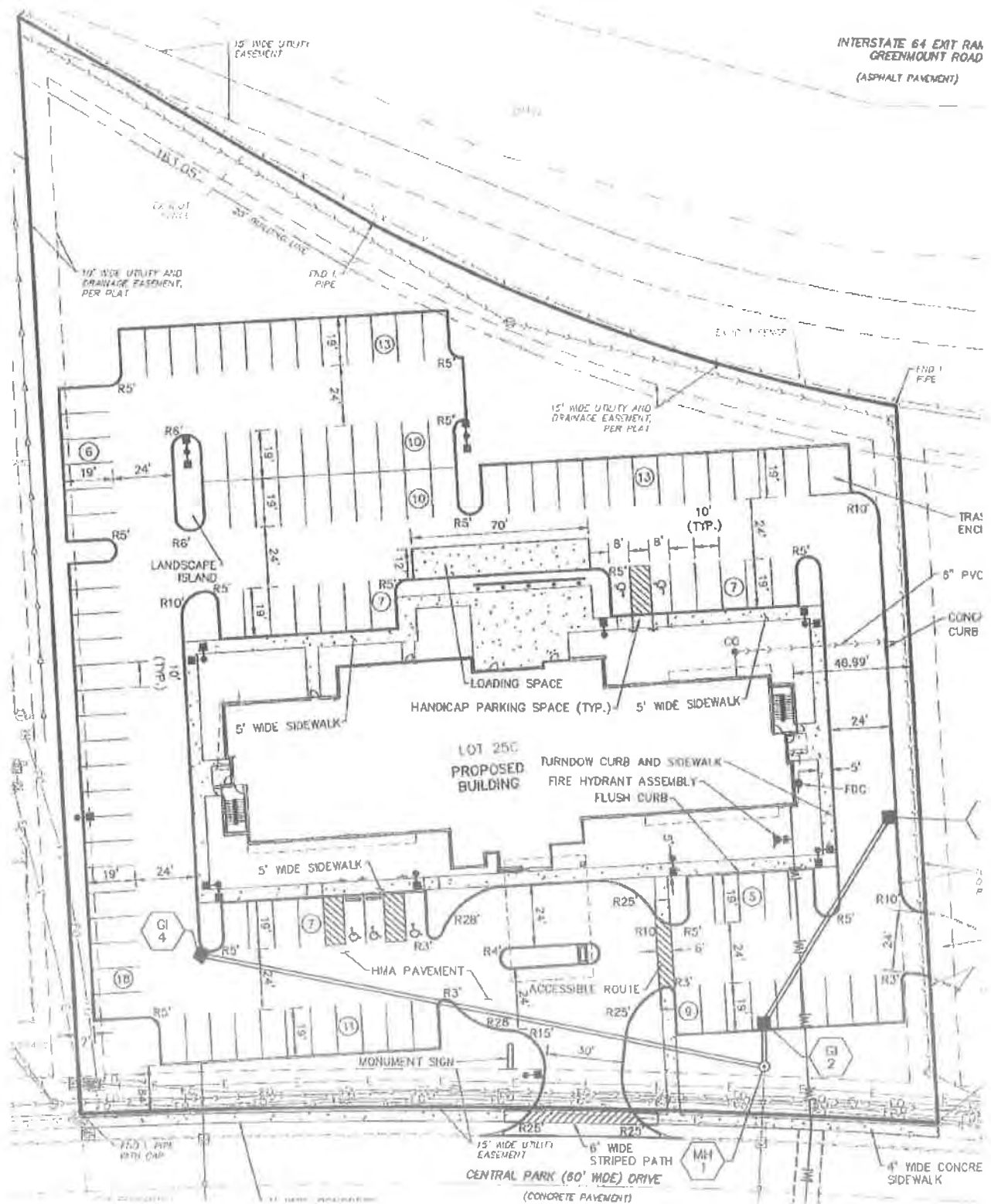


EXHIBIT D

FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION

The undersigned, CENTRAL PARK LODGING, LLC ("CPL"), pursuant to that certain Redevelopment Agreement dated as of _____, 2019, between the City of O'Fallon, Illinois (the "City") and CPL (the "Agreement"), hereby certifies to the City as follows:

1. That as of _____, _____, the construction and installation of [a phase of] the CPL Improvements in connection with CPL's Development Project (as such term is defined in the Agreement) has been substantially completed in accordance with the Agreement.

2. Such CPL Improvements have been performed in a workmanlike manner.

3. This Certificate of Substantial Completion is being issued by CPL to the City in accordance with the Agreement to evidence CPL's satisfaction of all obligations and covenants with respect to [a phase of] the CPL Improvements.

4. The City's acceptance (below) or the City's failure to object in writing to this Certificate within 30 days of the date of delivery of this Certificate to the City (which written objection, if any, must be delivered to CPL prior to the end of such thirty (30) day period), shall evidence the satisfaction of CPL's agreements and covenants to perform the Work related to CPL Improvements.

This Certificate may be recorded in the office of the St. Clair County Recorder. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being. Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

Dated this _____ day of _____, _____.

Central Park Lodging, LLC, an Illinois limited liability company

By: _____

Name: Darrell Shelton

Title: Managing Member

Accepted by:

CITY OF O'FALLON, ILLINOIS

By: _____

Name: _____

Title: _____

EXHIBIT E

FORM OF CERTIFICATE OF REIMBURSABLE CPL'S DEVELOPMENT PROJECT COSTS

Certificate of Reimbursable CPL's Development Project Costs

TO: City of O'Fallon, Illinois
Attention:

Re: City of O'Fallon, Illinois Tax Increment Finance District (CENTRAL PARK LODGING, LLC.)

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Development Agreement dated as of _____, 2019 (the "Agreement") between the City and CPL. In connection with said Agreement, the undersigned hereby states and certifies that:

1. Each item listed on **Schedule 1** hereto is a Reimbursable Development Project Cost and was incurred in connection with the construction of the CPL Improvements in connection with CPL's Development Project.
2. These CPL's Development Project Costs have been have been paid by CPL and are reimbursable under the TIF Ordinance and the Agreement.
3. Each item listed on **Schedule 1** has not previously been paid or reimbursed from Incremental Property Taxes and no part thereof has been included in any other certificate previously filed with the City.
4. There has not been filed with or served upon CPL any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.
5. All necessary permits and approvals required for the component of the work for which this certificate relates have been issued and are in full force and effect.
6. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Agreement.

Dated this ____ day of _____, ____.

CENTRAL PARK LODGING, LLC, an Illinois
limited liability company

By: _____
Name: _____
Title: _____

EXHIBIT F

CPL IMPROVEMENTS

The CPL Improvements involve the construction of a 50,042 square foot hotel with 108 rooms. Improvements also include, but are not limited to, all necessary support facilities such as:

- (1) utilities, including construction, reconstruction and/or relocation of utilities;
- (2) a parking lot and all parking lot improvements;
- (3) a curb cuts along Central Park Drive;
- (4) street improvements and landscaping;
- (5) storm water detention and drainage facilities and other infrastructure improvements required by the U.S. Army Corps of Engineers, St. Clair County or any other entity in order to obtain all necessary approvals and permits; and
- (6) other infrastructure improvements appurtenant thereto, which are necessary to remove the Blighting Factors described within the Redevelopment Plan, including without limitation, environmental remediation and mine remediation to mitigate the risk of subsidence with respect to CPL's Parcel as determined is necessary by CPL in order for CPL to complete the CPL Improvements.

EXHIBIT G

ELIGIBLE DEVELOPMENT CONSTRUCTION COSTS

<i>TIF PROJECT COST ANALYSIS</i>	
Fairfield Inn O'Fallon, IL	
Land Cost	1,650,000.00
Permits, Plan Review	80,000.00
Utility Tap Fees	200,000.00
Legal Fees	40,000.00
Engineering	38,000.00
Phase 1, Soils Test	10,000.00
Market Analysis and Appraisal	20,000.00
Architect	188,000.00
Site Prep Earth Work	60,000.00
Storm Sewer	40,000.00
Sidewalk and Curb	150,000.00
TIF Site Costs	2,440,000.00

**Joint Review Board Meeting
Tax Increment Financing
Redevelopment Project Area
City of O'Fallon, Illinois**

**April 30, 2019
Meeting Minutes
TIF #3 Central Park**

Draft minutes of the annual meeting of the Joint Review Board held at City Hall, 255 S. Lincoln Ave, O'Fallon, Illinois on April 30, 2019.

Call to order occurred at 4:00 pm

It was confirmed that City Administrator, Walter Denton, would serve as the City Representative.

ROLL CALL:

Taxing District Representatives: A Hoerner (SWIC), D Elser (District #104),
R Stubblefield (SCC)

City Representatives: W Denton

Others: T Bruckert, T Shekell, S Evans, D Arell-Martinez, R Costello, G Litteken

The Board voted and approved Debbie Arell-Martinez to serve as the Public Member of the Joint Review Board.

The Board appointed Sandy Evans to take minutes of the meeting.

The Board approved the last JRB meeting minutes.

OTHER BUSINESS:

The annual TIF report for fiscal year 2018 was presented. The old Gander Mountain building will acquire new tenants of a fitness center and Northern Tool. There are plans for a new high-end restaurant/sports bar to be constructed next to the Fairfield Inn. The City expects to sign a new redevelopment agreement with a company out of Nashville to develop 17 acres for retail between Central Park Drive and Frank Scott Parkway. Serra Honda bought property across from their current location for an additional dealership approximately 15 acres. The Ashland Avenue extension has been cancelled due to high costs to relocate gas lines. There were no other questions or discussion.

Motion to adjourn by W Denton and 2nd by R Stubblefield at 4:08 pm.

Next Meeting: TBD

City of O'Fallon, Illinois
Combining Balance Sheet - Tax Incremental Financing (TIF) Funds
April 30, 2019

	158 Corridor TIF	Green Mount Medical TIF	Central Park TIF	Rte. 50/ Scott Troy Rd. TIF	Central City TIF	Total TIF Fund
Assets						
Cash and cash equivalents	\$ -	\$ -	\$ 6,334	\$ 143,484	\$ 15,238	\$ 165,056
Receivables, net	-	-	-	-	-	-
Taxes	-	470,045	615,094	363,181	115,520	1,563,840
Other	-	-	-	-	-	-
Total Assets	-	470,045	621,428	506,665	130,758	1,728,896
Deferred Outflows of Resources	-	-	-	-	-	-
Total Assets and Deferred Outflows of Resources	\$ -	\$ 470,045	\$ 621,428	\$ 506,665	\$ 130,758	\$ 1,728,896
Liabilities						
Accounts payable	\$ -	\$ 19,684	\$ 1,964	\$ 143,931	\$ 376	\$ 165,955
Due to other funds	-	4,346,676	85,454	40,692	103,520	4,576,342
Total Liabilities	-	4,366,360	87,418	184,623	103,896	4,742,297
Deferred Inflows of Resources	-	470,045	615,094	363,181	115,520	1,563,840
Unavailable resources - property taxes	-	-	-	-	-	-
Fund Balance	-	-	-	-	-	-
Nonspendable:	-	-	-	-	-	-
Prepaid items	-	-	-	-	-	-
Interfund advances	-	-	-	-	-	-
Restricted:	-	-	-	-	-	-
Debt service	-	-	-	-	-	-
Special revenue fund	-	-	-	-	-	-
Unassigned:	-	-	-	-	-	-
General fund	-	(4,366,360)	(81,084)	(41,139)	(88,658)	(4,577,241)
Total Fund Balances	-	(4,366,360)	(81,084)	(41,139)	(88,658)	(4,577,241)
Total Liabilities, Deferred Inflows of Resources, and Fund Balances	\$ -	\$ 470,045	\$ 621,428	\$ 506,665	\$ 130,758	\$ 1,728,896

City of O'Fallon, Illinois
Combining Schedule of Revenue, Expenditures, and Changes in Fund Balances - Tax Increment Financing (TIF) Funds
For the year ended April 30, 2019

	158 Corridor TIF	Green Mount Medical TIF	Central Park TIF	Rte. 50/ Scott Troy Rd. TIF	Central City TIF	Total TIF Fund
Revenues						
Taxes:						
Property	\$ 372,300	\$ 137,803	\$ 607,743	\$ 345,171	\$ 28,908	\$ 1,491,925
Intergovernmental receipts:						
Grants	-	28,848	-	-	-	28,848
Investment income	282	55	245	139	11	732
Miscellaneous revenues and reimbursements	-	31,790	1,000	-	2,000	34,790
Total Revenues	<u>372,582</u>	<u>198,496</u>	<u>608,988</u>	<u>345,310</u>	<u>30,919</u>	<u>1,556,295</u>
Expenditures						
Current:						
Highways and streets	-	-	-	-	-	-
Tax increment financing	304,817	645	203,026	144,694	5,769	658,951
Capital outlay	457,518	-	390,371	200,993	268	1,049,150
Debt service:						
Principal	-	-	-	-	-	-
Interest and fiscal charges	-	-	-	-	-	-
Bond issuance costs	-	-	-	-	-	-
Total Expenditures	<u>762,335</u>	<u>645</u>	<u>593,397</u>	<u>345,687</u>	<u>6,037</u>	<u>1,708,101</u>
Excess (Deficiency) of Revenues over Expenditures	<u>(389,753)</u>	<u>197,851</u>	<u>15,591</u>	<u>(377)</u>	<u>24,882</u>	<u>(151,806)</u>
Other Financing Sources (Uses)						
Transfers in from other funds	-	-	-	-	-	-
Transfers out to other funds	-	(231,318)	-	-	-	(231,318)
Total Other Financing Sources	<u>-</u>	<u>(231,318)</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(231,318)</u>
Net Change in Fund Balance	<u>\$ (389,753)</u>	<u>\$ (33,467)</u>	<u>\$ 15,591</u>	<u>\$ (377)</u>	<u>\$ 24,882</u>	<u>\$ (383,124)</u>
Fund Balance (Deficit), May 1 (restated)	<u>389,753</u>	<u>(4,332,893)</u>	<u>(96,675)</u>	<u>(40,762)</u>	<u>(113,540)</u>	<u>(4,194,117)</u>
Fund Balance (Deficit), April 30	<u>\$ -</u>	<u>\$ (4,366,360)</u>	<u>\$ (81,084)</u>	<u>\$ (41,139)</u>	<u>\$ (88,658)</u>	<u>\$ (4,577,241)</u>



10425 Old Olive Street Road, Suite 101
Creve Coeur, MO 63141

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE WITH
TAX INCREMENT FINANCING ACT

To the Honorable Mayor and City Council
City of O'Fallon, Illinois

We have audited the basic financial statements of the City of O'Fallon, Illinois, for the year ended April 30, 2019, and have issued our report thereon dated September 19, 2019, which was qualified for not determining whether the annual pension costs for the Police Pension and Fire Pension are overstated or understated in accordance with U. S. generally accepted accounting principles, which require an asset or liability to be recorded in the government-wide statement of net position for the governmental activities based on the net pension liability or asset, which would change the expenses in the governmental activities. Also, the City has not determined a cost or liability for other post-employment benefit costs and the omission of the other post-employment benefits disclosures. The financial statements are the responsibility of management for the City of O'Fallon, Illinois. Our responsibility is to express opinions on the financial statements based on our audit.

Our audit was made in accordance with U.S. generally accepted auditing standards. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement. An audit includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe our audit provides a reasonable basis for our opinions.

The management of the City of O'Fallon, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, nothing came to our attention that caused us to believe that the City failed to comply with the accounting provisions in Subsection (q) of Section 11-74.4-3 of Public Act 85-1142 insofar as they relate to accounting matters. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the City's noncompliance with the above referenced laws and regulations insofar as they relate to accounting matters.

This report is intended solely for the information and use of the City Council and management of the City of O'Fallon, Illinois and the State of Illinois, and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in dark ink, appearing to read "Stopp & VanHoy", with a stylized flourish at the end.

Creve Coeur, Missouri
September 19, 2019

City of OFallon
TIF #3 Central Park Plaza

A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]

[illegible]