

STATE OF ILLINOIS
COMPTROLLER

SUSANA A. MENDOZA

Name of Municipality:	O'Fallon	Reporting Fiscal Year:	2018
County:	St Clair	Fiscal Year End:	4/30/2018
Unit Code:	088/110/30		

TIF Administrator Contact Information

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

I attest to the best of my knowledge, that this FY 2018 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.].	

Sandra Evans

10-25-18

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 2018

Name of Redevelopment Project Area (below):

TIF #5 Central City

Primary Use of Redevelopment Project Area*: Central Business Distr

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

If "Combination/Mixed" List Component Types:

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 or meeting minutes submitted to the municipality by 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 2018****TIF NAME:****TIF #5 Central City**

Special Tax Allocation Fund Balance at Beginning of Reporting Period

\$ (121,395)

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	\$ 18,789	\$ 25,991	96%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest			0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources	\$ 500	\$ 1,000	4%
Other (identify source _____; if multiple other sources, attach schedule)			0%

All Amount Deposited in Special Tax Allocation Fund

\$ 19,289

Cumulative Total Revenues/Cash Receipts

\$ 26,991 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

\$ 9,555

Transfers to Municipal Sources**Distribution of Surplus**

\$ 1,879

Total Expenditures/Disbursements

\$ 11,434

Net/Income/Cash Receipts Over/(Under) Cash Disbursements

\$ 7,855

FUND BALANCE, END OF REPORTING PERIOD*

\$ (113,540)

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

FY 2018

TIF NAME:

TIF #5 Central City

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.		
		\$ -
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.		
		\$ -

PAGE 2

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[illegible]

\$	-
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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		\$ 9,555

FY 2018

TIF NAME:

TIF #5 Central City

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 2018

TIF NAME:

TIF #5 Central City

FUND BALANCE BY SOURCE

\$ (113,540)

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

Fezziwig Redevelopment Agreement		\$ 34,824
Old City Hall Redevelopment Agreement		\$ 760,900
Bike Surgeon Redevelopment Agreement		\$ 284,775
Dover Frontier Redevelopment Agreement		\$ 1,800,000
Do Well Real Estate Redevelopment Agreement		\$ 427,750
Due to General Fund for TIF related expenses		\$ 123,520

Total Amount Designated for Project Costs

\$ 3,431,769

TOTAL AMOUNT DESIGNATED

\$ 3,431,769

SURPLUS/(DEFICIT)

\$ (3,545,309)

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

FY 2018

TIF NAME:

TIF #5 Central City

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 2018

TIF Name:

TIF #5 Central City

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 number of projects undertaken by the municipality within the Redevelopment Project Area:	6

LIST the 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)	\$ 1,303,170	\$ 1,810,000	\$ 4,113,170
Public Investment Undertaken	\$ 1,023,284	\$ 10,520	\$ 4,331,520
Ratio of Private/Public Investment	1 3/11		19/20

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Metro Inflatables (Fezziwig)

Private Investment Undertaken (See Instructions)	\$ 113,170	\$ -	\$ 113,170
Public Investment Undertaken	\$ 14	\$ 20	\$ 34,824
Ratio of Private/Public Investment	8083 4/7		3 1/4

Project 2*: B McMillin (Old City Hall)

Private Investment Undertaken (See Instructions)	\$ 800,000	\$ -	\$ 800,000
Public Investment Undertaken	\$ -	\$ 5,000	\$ 760,900
Ratio of Private/Public Investment	0		1 2/39

Project 3*: Bike Surgeon

Private Investment Undertaken (See Instructions)	\$ 390,000	\$ 10,000	\$ 400,000
Public Investment Undertaken	\$ 224	\$ 500	\$ 285,000
Ratio of Private/Public Investment	1741 1/14		1 23/57

Project 4*: 2nd Street Improvements

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 1,023,046	\$ -	\$ 1,023,046
Ratio of Private/Public Investment	0		0

Project 5*: Dover Frontier (Demolition)

Private Investment Undertaken (See Instructions)		\$ 1,800,000	\$ 1,800,000
Public Investment Undertaken	\$ -	\$ 5,000	\$ 1,800,000
Ratio of Private/Public Investment	0		1

Project 6*: Do Well Real Estate (Sal Cincotta)

Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ 1,000,000
Public Investment Undertaken	\$ -	\$ -	\$ 427,750
Ratio of Private/Public Investment	0		2 25/74

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 2018

TIF NAME: TIF #5 Central City

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
6/1/2015	\$ 6,724,899	\$ 7,240,399

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	\$ 241
SWIC District #522	\$ 105
O'Fallon District #90	\$ 703
O'Fallon HS District #203	\$ 513
O'Fallon Library	\$ 40
O'Fallon Township	\$ 17
O'Fallon Road	\$ 65
City of O'Fallon	\$ 194
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

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, 2017 – April 30, 2018).

10/26/18
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, 2017- April 30, 2018).

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.

October 26, 2018
Date

Terry Bruckert
Signature

City of O'Fallon
St. Clair County, Illinois

STATEMENT OF ACTIVITIES TO FURTHER
OBJECTIVES OF THE REDEVELOPMENT PLAN

Year Ended April 30, 2018

2nd Street Road Improvements

The City has retained a traffic engineering firm to undertake traffic surveys, prepare designs and complete staking construction for 2nd Street road improvements. The City installed a pedestrian rapid flash beacon at the cross walk of 1st Street and Lincoln Avenue. Improvements on the west and east side of 2nd Street for drainage and storm water were complete as of 4/30/18.

Fezziwig's

Fezziwig's is a small marketplace that the City contracted with the developer to renovate the existing building for a retail business. The project was complete as of 5/31/2016.

Old City Hall

Brad McMillin acquired from the City the real estate property located at 200 North Lincoln (Old City Hall and the adjoining vacant land). As part of the purchase agreement, the developer agreed to renovate the building in such a way as to preserve the City's historical landmark. Renovations were complete as of 4/30/18.

Bike Surgeon

The Bike Surgeon is an Illinois corporation that the City contracted with the developer to renovate the existing building for a bicycle shop. Renovations were on going during the past fiscal year.

Do Well Real Estate

The City has contracted with Do Well Real Estate, LLC to bring the property at 2 S. Lincoln back to productive use by providing commercial space in the City of O'Fallon. To date there has been no activity.

Dover Frontier

The City has contracted with the owner of the property at Southview Plaza, Dover Frontier, LLC to demolish the existing structures, conduct environmental remediation of the area, relocate utilities and complete site grading and excavation. To date there has been no activity.



* A 0 2 5 4 0 9 8 4 1 3 *

A02540984

MICHAEL T. COSTELLO
RECORDER OF DEEDS
ST. CLAIR COUNTY
BELLEVILLE, IL

06/22/2017 09:54:12AM

TOTAL FEE: \$38.25

PAGES: 13

CLERK'S CERTIFICATE

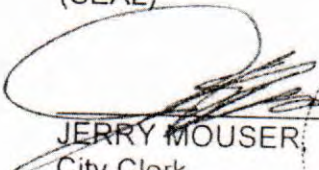
STATE OF ILLINOIS)
COUNTY OF ST. CLAIR) ss.
CITY OF O'FALLON)

I, JERRY MOUSER, City Clerk for said City of O'Fallon, duly elected, qualified, and acting, and keeper of the records and seals thereof, do hereby certify the attached to be a true, complete, and correct copy of Ordinance No. 3985 duly passed by the City Council of the City of O'Fallon at a Regular meeting of said City Council on the 5th day of June 2017, as the said matter appears on file and of record in this office.

I do further certify that prior to the execution of this certificate by me, the said Ordinance has been spread at length upon the permanent records of said City, where it now appears and remains in the book of Ordinances of the City kept by myself, a book labeled Ordinances.

IN WITNESS WHEREOF, I have hereunto set my hand and seal of said City at my office in the City of O'Fallon, Illinois, this 22 day of JUNE 2017.

(SEAL)


JERRY MOUSER,
City Clerk
City of O'Fallon
St. Clair County, Illinois



CITY OF O'FALLON, ILLINOIS
ORDINANCE NO. 3985

**AN ORDINANCE OF THE CITY
OF O'FALLON WHICH
AUTHORIZES THE EXECUTION
OF THE REDEVELOPMENT
AGREEMENT WITH SAL
CINCOTTA FOR THE
PROPERTY AT 2 S. LINCOLN**

WHEREAS, the City of O'Fallon, St. Clair County, Illinois ("City") is a duly created, organized and validly existing municipality of the State of Illinois under the 1970 Illinois Constitution ("Constitution") and the laws of the State of Illinois, including particularly the Illinois Municipal Code (the "Municipal Code"), and all laws amendatory thereof and supplementary thereto (Chapter 65, Act 5, Illinois Compiled Statutes (2006)); and

WHEREAS, the City has the authority to adopt tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment 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 "Central City Tax Increment Financing Redevelopment Plan and Project" ("Redevelopment Plan"), within established geographic boundaries (hereinafter the "Redevelopment Project Area") for the City of O'Fallon, St. Clair County, Illinois; and

WHEREAS, the purpose of the plan is to foster economic development in the City and to attract business and new jobs to the City, thus providing increased tax revenues to the City and the taxing districts within its boundaries; and

WHEREAS, the Act allows a municipality to pledge all or a portion of incremental property tax revenues generated within a Redevelopment Project Area to repayment of certain redevelopment project costs; 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 May 4, 2015, 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. 3885, approving the Redevelopment Plan and Project,
- (2) Ordinance No. 3886, designating the Redevelopment Project Area, and
- (3) Ordinance No. 3887, adopting Tax Increment Financing for the Redevelopment Project Area and establishing a special tax allocation fund therefore ("Special Tax Allocation Fund"); and

WHEREAS, Sal Cincotta ("Developer") has submitted a Redevelopment Proposal providing for a redevelopment project to be undertaken by the Developer within 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 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 Project 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 Redevelopment 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

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
8. The Mayor is hereby authorized and directed to execute and deliver on behalf of the City, and the City Clerk is hereby authorized and directed where appropriate to attest, all certificates, documents, agreements or other instruments, and the Mayor or his designated representative is hereby authorized and directed to take any and all actions, as may be necessary, desirable, convenient or proper to carry out and comply with the provisions of all agreements or contracts, necessary or reasonable incidental to the implementation of this Ordinance; 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.

Approved by the Mayor this 5th
day of June 2017.

Herb Roach, Mayor

[illegible]

Exhibit "A"
REDEVELOPMENT AGREEMENT

This Redevelopment Agreement (including the Exhibits) ("Agreement") is entered into on the date and by execution shown hereafter, by and between the **City of O'Fallon**, Illinois, an Illinois Municipal Corporation, (hereinafter referred to as "City") and **Do Well Real Estate, LLC** (hereinafter referred to as "the Developer").

PREAMBLE

WHEREAS, the Developer owns the following described real estate located in the City of O'Fallon, St. Clair County (the "Property") on which is situated a certain building described as follows:

2 S. Lincoln Ave. and 115 E. State St.
Permanent Parcel Nos. 04-29.0-300-009 & 04-29.0-300-010

WHEREAS, the City desires to encourage the Developer to bring the site back into a productive use by providing new commercial space in the City of O'Fallon (which redevelopment is hereinafter referred to as the "Project"); and

WHEREAS, 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; and

WHEREAS, it is the desire of the City and the Developer that the City assist in the improvements for the Project under the City's grant of authority pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-11, as amended; and

WHEREAS, the Developer has informed the City, and the City hereby specifically finds, that without the financial support that may be provided pursuant to the "TIF Act" to reimburse some of the Project costs, the Project is not financially feasible and the Project will not move forward; and

WHEREAS, financing the construction of the new commercial building is consistent with the objectives of the City's Comprehensive Plan; and

WHEREAS, the parties acknowledge the City, in extending incentives for this Project, is relying on the representations of the Developer contained herein to substantially complete the Project as set forth herein.

WHEREAS, 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.

NOW, THEREFORE, in consideration of the premises and agreements set forth below, the parties, for and in consideration of the representations relative to the proposed improvements of said Property owned by the Developer, hereby agree as follows:

Section 1. Incorporation of Recitals. The Parties agree that all of the recitals contained in the Preambles to this Agreement are true and correct, and said recitals are hereby incorporated into the Agreement as though they were fully set forth in this Section 1.

Section 2. Authorization.

(a) Pursuant to the TIF Act, a plan for redevelopment known as the "City of O'Fallon, Illinois Tax Increment Financing Redevelopment Plan – Central City Redevelopment Area" (the "**Redevelopment Plan**") for an area designated therein (the "**Redevelopment Project Area**"), consisting of approximately 85 acres, as legally described in the Redevelopment Plan has been prepared and reviewed by the City.

(b) 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**") held on May 4, 2015, notice of such hearing having been given in accordance with the TIF Act.

(c) 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. 3885, approving the Redevelopment Plan, (2) Ordinance No. 3886, designating the Redevelopment Project Area, and (3) Ordinance No. 3887, adopting tax increment financing for the Redevelopment Project Area and establishing a special tax allocation fund therefor (the "**Special Tax Allocation Fund**").

Section 3. Developer's Performance of Work.

(a) **Developer's Improvements.** Developer shall advance funds for and commence and complete each of its obligations (or cause the completion of its obligations by entering into agreements with a third party) under this Agreement with respect to the construction of the building to be situated thereon.

(b) **Construction Schedule.** The Project shall be substantially complete within 2 years from the date of execution of this Development Agreement. Completion of the project is premised on Developer receiving timely approval by the City Council of all planning approvals required to accommodate the new building construction and the timely review and issuance by the City of all governmental approvals within its control. In addition, the Developer shall, at all times herein, maintain the property and the building located thereon so that the condition of same shall not violate the City Code.

(c) **Extension of Time.** Notwithstanding any provision of this Agreement to the contrary, the Developer 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 6 months without further action by the Corporate Authorities. In the event that the Mayor or his designee extends or waives time for Developer's performance under Section 3(b) of this Agreement, the City's time for performance under Section 3(b) shall be extended to conform to Developer's extended time for performance.

Section 4. Reimbursement of Development Costs. In consideration of the Developer's undertaking of the Project, including the incurring of reimbursable redevelopment project costs under the Project, the City hereby pledges and agrees to apply the Incremental Property Taxes generated from the Project and deposited into the Special Tax Allocation Fund in accordance with this Agreement to pay reimbursable project costs incurred by the Developer, subject to the following:

(a) The City will reimburse 75% of the incremental EAV generated by the development of this Property until the expiration of this TIF District on July 24, 2038 or until the maximum funding amount is reached, whichever comes first. The developer must supply proof of tax payments, showing the EAV each year.

(b) Eligible Costs City will consider

Land Acquisition and Related Closing/Title Fees, Demolition, Site Improvements (sewer lines, water lines, grading, etc), Legal, Architectural & Engineering Fees, Asbestos Fees, Interest Costs, and All Costs Itemized on **Exhibit A**

Total Estimated Eligible Costs \$ 427,750.00 (see **Exhibit "A"** attached hereto and made part hereof.

(c) The Developer shall submit to the City's Director of Finance a written statement setting forth the amount of costs incurred by the Developer for completion of the Project. Each request shall be accompanied by such bills, invoices, lien waivers or other evidence as the City may reasonably require for documenting the Developer's costs incurred for the Project. These requests shall be submitted in a timely manner each year until the total eligible costs tallies to \$ 427,750.00. The Developer may continue to provide requests until all Project costs have been incurred and the Project is completed.

(d) The City's finance director (or designee as the case may be), shall approve or disapprove a request for payment by written notice to the Developer 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 the Developer 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.

(e) 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.

(f) 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.

(g) 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.

(h) 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.

(i) 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).

Section 5. Indemnification. Developer hereby releases and shall indemnify and hold harmless the City and its governing body members, officers, agents, and employees and the City Attorney for any and all claims, suits, damages, expenses or liabilities arising out of (1) the operation of all or any part of the Property, or the condition of the Property, including, without limitation, any environmental cost or liability, (2) inspections, acquisitions, preparations, construction, leasing, operations, and other activities of Developer or its agents in connection with or relating to the Project, and (3) any loss or damage to the Property or any injury to or death of any person occurring at or about or resulting from any defect in the performance of the work by Developer or any contractor, sub-contractor, agent or employee of the Developer, 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.

In no way limiting the foregoing, the Developer shall also indemnify and hold harmless the City, its agents, officers and employees against all damages, claims, suits, liabilities, judgments, fines, penalties, costs and expenses (including reasonable attorney's fees) which may arise directly or indirectly from any violation of the Illinois Prevailing wage Act, 820 ILCS 130/0.01 *et. seq.*, in connection with the Project.

Section 6. Assignment. Until completion of the Project, the rights, duties and obligations of the Developer under this Agreement may not be assigned in whole or in part without the prior written approval of the City, which shall be given upon a reasonable demonstration by the Developer and the determination by the City of the proposed assignee's experience and financial capability to undertake and complete the Project.

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 the Developer to encumber or collaterally assign its interest in the Property 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 the Developer's 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 the Developer to assign the Developer's rights, duties and obligations under this Agreement to an entity in which Sal Cincotta maintains a majority interest.

Section 7. Default and Remedies.

(a) Except as otherwise provided in this Agreement, in the event of any default in or breach of any term or conditions of this Agreement by either party or any successor or assign, the defaulting or breaching party (or successor or assign) shall, upon written notice from the other party, proceed immediately to cure or remedy such default or breach as follows: (a) in the event of a nonmonetary default, within thirty (30) days after receipt of notice, commence to cure or remedy such default, and (b) in the event of a monetary default, within ten (10) days after receipt of notice, commence to cure or remedy such default. In case such cure or remedy is not taken or not diligently pursued, or the default or breach shall not be 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, including without limitation proceedings to compel specific performance by the defaulting or breaching party. If either party shall prevail in any court proceeding to enforce any term, covenant or condition hereof, the non-prevailing party shall reimburse the prevailing party its costs and reasonable attorneys' fees on account of such proceeding.

Section 8. Termination. In the event that the Developer does not commence construction of the Project within eighteen (18) months of the execution of this Agreement, the City may terminate this Agreement. If the City terminates this Agreement in accordance with this paragraph, Developer shall not be entitled to any financial assistance from the City.

In the event that the Project is not substantially complete within 2 years after the date of execution of this Agreement, unless the time is otherwise extended according to Section 3(d), the City may terminate this Agreement. If the City terminates this Agreement in accordance with this paragraph, Developer shall not be entitled to any further financial assistance from the City then that paid to date. In addition, if the Developer fails to complete the Project within the aforementioned time lines, the Developer shall reimburse the City for any monies it received pursuant to this Agreement.

Section 9. Notices. All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective

as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To the Developer:

Do Well Real Estate, LLC
PERSONAL/CONFIDENTIAL
Attn: Sal Cincotta
226 W. State Street
O'Fallon, IL 62269
Phone# 618 520 7746
Email: sal@cincottaemail.com

To the City:

City of O'Fallon
Attn: City Clerk
255 S. Lincoln Ave.
O'Fallon, IL 62269
Fax # 618-624-4508

Email: wdenton@ofallon.org

Section 10. Insurance.

(a) **City Improvements.** Prior to the commencement of construction of City improvements, if any, the City shall obtain or shall ensure that any such contractor obtains workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts customary in the industry for similar type projects. The City shall deliver to Developer evidence of such insurance prior to commencement of such construction. The City shall ensure that the insurance so required is maintained by any such contractor for the duration of the construction of any City improvements. In the event of any casualty affecting the City improvements the City agrees to cause any insurance proceeds to be used, to the extent necessary, to rebuild or restore the damaged improvements.

(b) **Buildings and Other Improvements.** Prior to the commencement of the rehabilitation of the buildings situated on the Property, Developer shall obtain or shall ensure that any contractor participating in the Project shall obtain workers' compensation, comprehensive public liability and builder's risk insurance coverage in amounts customary in the industry for similar type projects.

Section 11. 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 Developer's undertakings, or of the City's contracting for goods or services for the Property, 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 12. Force Majeure. The time the Developer is to perform any act under this Agreement shall be extended by a period of time equal to the number of days during which performance of such act is delayed by strikes, lockouts, acts of God, failure or inability to secure materials or labor in a timely fashion or any other cause beyond the reasonable control of the Developer.

Section 13. Agreement Binding on Successors. This Agreement shall be binding on the Developer's permitted successors and assigns.

Section 14. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute one and the same instrument.

Section 15. Partial Invalidity. If any section, subsection, term or provisions of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of the same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

Section 16. Miscellaneous. Developer represents that signee has the authority to enter into this Agreement.

Section 17. 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.

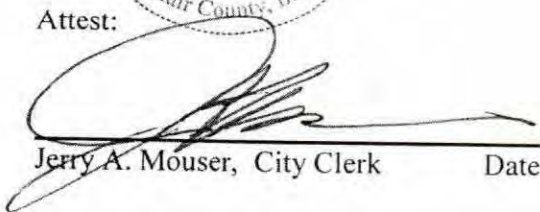
Section 18. Effective Date. This Agreement shall be effective on the date signed by the last of the parties hereto.

IN WITNESS WHEREOF, the City and Developer have caused this Agreement to be executed in their respective names and caused their respective seals, if applicable, to be affixed thereto, and attested as to the date hereafter.

(SEAL)




Attest:


Jerry A. Mouser, City Clerk

Date

CITY OF O'FALLON, ILLINOIS


Herb Roach, Mayor


Date

DEVELOPER

DO WELL REAL ESTATE, LLC


Sal Cincotta Jun 15, 2017

By: Sal Cincotta, Member

Jun 15, 2017

Date

EXHIBIT A
BUDGET AND FINANCING

1.	Acquisition costs- (land cost plus closing/title costs)	\$165,000.00
2.	Professional Design Fee (Architect, Civil, MEP, structural)	\$ 45,000.00
4.	Demolition Fees	\$ 80,000.00
5.	Asbestos Fees	\$ 5000.00
6.	Attorneys' Fees	\$ 20,000.00
8.	Accounting Fees	\$ 10,000.00
9.	Interest Cost	\$ 27,750.00 (30% of total)
10.	Site preparation (sewer lines, water lines, grading)	\$ 75,000.00

\$427,750.00






2SLincoln-TIF-Redevelopment Agreement-May 8-FINAL (002)

Adobe Sign Document History

06/15/2017

Created:	06/15/2017
By:	Tammy White (twhite@aegisps.com)
Status:	Signed
Transaction ID:	CBJCHBCAABAApqHiqk9d9uO9xm_KeaMHuhxtdD1JzG5p

"2SLincoln-TIF-Redevelopment Agreement-May 8-FINAL (002)" History

-  Document uploaded by Tammy White (twhite@aegisps.com) from Reader
06/15/2017 - 11:25:08 AM PDT- IP address: 68.188.67.162
-  Document emailed to sal cincotta (sal@cincottaemail.com) for signature
06/15/2017 - 11:28:31 AM PDT
-  Document viewed by sal cincotta (sal@cincottaemail.com)
06/15/2017 - 11:29:42 AM PDT- IP address: 40.137.48.189
-  Document e-signed by sal cincotta (sal@cincottaemail.com)
Signature Date: 06/15/2017 - 11:30:41 AM PDT - Time Source: server- IP address: 40.137.48.189
-  Signed document emailed to sal cincotta (sal@cincottaemail.com) and Tammy White (twhite@aegisps.com)
06/15/2017 - 11:30:41 AM PDT



Adobe Sign

CITY OF O'FALLON, ILLINOIS

RESOLUTION 2018 - 24

A RESOLUTION OF THE CITY OF O'FALLON WHICH
AUTHORIZES THE EXECUTION OF THE REDEVELOPMENT
AGREEMENT WITH DOVER FRONTIER, 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 City Redevelopment Area" (the "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 May 4, 2015, 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. 3885, approving the Redevelopment Plan and Project,
 - (2) Ordinance No. 3886, designating the Redevelopment Project Area, and
 - (3) Ordinance No. 3887, adopting Tax Increment Financing for the Redevelopment Project Area and establishing a special tax allocation fund therefore ("Special Tax Allocation Fund"); and
- WHEREAS,** Dover Frontier, 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 Resolution) 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 the City, 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 Project Area; and the City, in order to stimulate and induce the development of the Project, has agreed to apply TIF revenues generated within the Project Area and 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 RESOLVED, 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 Resolution are realleged, restated and adopted as paragraph one (1) of this Resolution; 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 Redevelopment 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 Resolution; and

6. The sections, paragraphs, sentences, clauses and phrases of this Resolution shall be severable. In the event that any such section, paragraph, sentence, clause or phrase of this Resolution is found by a court of competent jurisdiction to be invalid, the remaining portions of this Resolution are valid; and
7. This Resolution shall be governed exclusively by, and construed in accordance with, the applicable laws of the State of Illinois; and
8. The Mayor is hereby authorized and directed to execute and deliver on behalf of the City, and the City Clerk is hereby authorized and directed where appropriate to attest, all certificates, documents, agreements or other instruments, and the Mayor or his designated representative is hereby authorized and directed to take any and all actions, as may be necessary, desirable, convenient or proper to carry out and comply with the provisions of all agreements or contracts, necessary or reasonable incidental to the implementation of this Resolution; and
9. All Resolutions, motions or orders in conflict herewith shall be, and the same hereby are, repealed to the extent of such conflict, and this Resolution 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.

PASSED and APPROVED this 2nd day of April 2018, at 7:00 p.m.


Yeas: 12

Nays: 0

Absent: 2




Jerry Mouser, City Clerk


Herb Roach, Mayor

TAX INCREMENT REDEVELOPMENT AGREEMENT

Dated as of April 2, 2018

Between

City of O'Fallon, Illinois

and

Dover Frontier LLC

THIS AGREEMENT, dated as of April 2, 2018, is made and entered into by and between the City of O'Fallon (the "City"), Illinois, a municipal corporation organized and existing under the laws of the State of Illinois and exercising its power pursuant to the 1970 Constitution of the State of Illinois, located in St. Clair County, Illinois, and Dover Frontier LLC ("Developer"), an Illinois limited liability company.

RECITALS

A. The City has established the Central City Tax Increment Financing Redevelopment Area (hereinafter referred to as the "Area"), in the City, pursuant to the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1, *et seq.*), as amended (the "Act").

B. Pursuant the Act, the City has approved the Central City Tax Increment Financing Redevelopment Plan (the "TIF Plan") pertaining to the redevelopment of the Area, a copy of which TIF Plan is on file with the City Clerk of the City.

C. The City has adopted Tax Increment Allocation Financing (the "TIF"); by adopting the Ordinances (as hereinafter defined).

D. Developer owns real estate in the Area and more particularly described in Exhibit A (the "Real Property") and proposes the redevelopment project hereinafter described (the "Project") within that part of the Area in which the Real Property lies (the "Project Area"). A map of the Project Area is attached as Exhibit B.

E. Developer has determined that the Project is not economically feasible using traditional development financing procedures.

F. Developer is unwilling to undertake the Project and pay costs connected with the Project unless the City agrees that a portion of the Incremental Revenues (hereinafter defined) from the Real Property will be used for payment of Reimbursable Project Costs (hereinafter defined).

G. The Project is consistent with, and will promote the purposes outlined in the Plan.

H. To achieve the objectives of the Plan and in accordance with the uses set forth therein, the City intends to assist Developer in the development of the Project subject to the terms of this Agreement.

I. The City believes that the redevelopment of the Area pursuant to the TIF Plan is in the vital and best interests of the City and the health, safety, morals and welfare of its residents, and in accordance with the public purposes and provisions of the applicable federal, state, and local laws.

J. The City has determined that Developer possesses the experience and qualifications to undertake the Project and the City, therefore, deems it appropriate to enter into this Agreement with Developer.

K. The Ordinances require that all Incremental Revenues from the Project be allocated to and when collected be paid to the City Treasurer for deposit into a Special Tax Allocation Fund for the Central City Redevelopment Project Area (the "TIF Fund") for the purposes of paying Reimbursable Project Costs; and,

L. The execution and delivery of this Agreement have in all respects been duly authorized, and all things necessary to make this Agreement a valid and binding agreement of the parties have been done.

NOW, THEREFORE, the parties hereby agree as follows:

ARTICLE I **GENERAL PROVISIONS**

1.1 Definitions. The terms defined in this Section shall, for all purposes of this Agreement, have the meanings herein specified, unless the context clearly requires otherwise (terms defined in the singular to have the same meaning when used in the plural and vice versa).

"Act" means the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as hereafter amended or supplemented from time to time.

"Agreement" means this Agreement and all Exhibits and attachments appended hereto, as hereinafter amended or supplemented, which Exhibits are incorporated herein by this reference.

"Area" means the City's Central City Tax Increment Financing Redevelopment Area.

"Authorized Representative" means such person at the time and from time to time designated to act on behalf of Developer in, a written certificate furnished to the City, containing the specimen signature of such person and signed on behalf of Developer by a corporate officer. Such certificate may designate an alternate or alternates.

"Benefit Period" means, the period beginning in the calendar year beginning immediately after the calendar year in which Developer has substantially completed the Project (the "First Assessment Year") and ending in the calendar year of whichever occurs first: December 31 of the last year of the existence of the TIF; or December 31 of the calendar year in which the amount paid to Developer equals the Maximum Reimbursable Project Costs.

"Certificate of Reimbursable Project Costs" shall mean a certificate submitted to the City pursuant to Article III hereof certifying and evidencing Reimbursable Project Costs which are payable under the Act and this Agreement.

"City" means the City of O'Fallon, St. Clair County, Illinois, including its City Council, mayor, clerk, other elected officials, employees, agents and appointed officials.

"City Council" means the governing body of the City, as constituted from time to time.

"Developer" means Dover Frontier LLC, an Illinois limited liability company.

"Developer's Share" means that portion of the Incremental Revenue generated by the Real Property to be paid to Developer, to wit: Seventy Five percent (75%) of the Incremental Revenues generated by the Real Property up to \$3.1 million of the equalized assessed value of the Real Property ("EAV") and 50% of the Incremental Revenues generated by the Real Property in excess of \$3.1 million EAV during the Benefit Period, not to exceed the Maximum Reimbursable Project Costs.

"Development Plan or Plans" means the description of the TIF Eligible Improvements for the Project and any subsequent changes. The Development Plans are generally described in Exhibit C attached hereto and incorporated herein by reference.

"Force Majeure" means an event or condition beyond the reasonable control of Developer that impedes, hinders or delays performance of Developer's obligations hereunder, including strikes, lock outs, labor disputes (whether legal or illegal), civil disorder, extreme weather conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnations, riots, insurrections, war, fuel shortages, accidents, casualties, floods, earthquakes, fires, acts of God, epidemics, quarantine restrictions, freight embargoes, wrongful act or omissions of the City (or its agents or employees) or similar causes. Force Majeure shall extend the time for performance of Developer's obligations for a period equal to the period of the delay caused by such Force Majeure.

"Incremental Revenues" means those Real Property Tax Increment Revenues described in 65 ILCS 5/11-74.4-8 collected from the Real Property and deposited into the TIF Fund pursuant to the Ordinances.

"Maximum Reimbursable Project Costs" means One Million Eight Hundred Thousand and No/100 Dollars (\$1,800,000.00).

"Ordinances" means ordinances adopted by the City to Approve the TIF Plan, designate the Area, and to adopt TIF financing.

"TIF Fund" means the Special Tax Allocation Fund provided for and described in 65 ILCS 5/11-74.4-8(b), established and adopted by the Ordinances for the Area and as described herein.

"TIF Fund Sub-Account" means the Special Tax Allocation Fund sub-account that is set up by the City to receive the Incremental Revenues collected from the Real Property.

"TIF Plan" shall have the meaning set forth in paragraph B of the Recitals to this Agreement.

"Project" means the development of the Project Area in accordance with the terms and conditions of this Agreement and the Development Plans, including (1) the demolition of existing structures in the Project Area; (2) environmental remediation of the Project Area; (3) relocation of utilities; and (4) site grading and excavation.

"Project Area" means the real property upon which the Project is developed.

"TIF Eligible Improvements" means the improvements described in the Development Plans and listed on Exhibit D.

"Redevelopment Assistance" means any payments made to Developer from Incremental Revenues from the Project Area distributed to the TIF Fund.

"Reimbursable Project Costs" means the costs referred to in the TIF Act and the TIF Plan.

"Substantial Completion" means substantial completion of the TIF Eligible Improvements as listed on Exhibit D and the receipt of a no further remediation letter ("NFR") from the Illinois Environmental Protection Agency ("IEPA") acknowledging that Developer has met the applicable IEPA program requirements relating to the environmental condition of the Real Property and the tiered approach to corrective action remediation objectives relating to the Real Property.

"State" means the State of Illinois.

1.2 Time: All covenants in this Agreement shall remain in full force and effect for a period ending upon the expiration of the TIF Plan unless the parties expressly, by written document, waive any of the same or as otherwise provided in this Agreement.

1.3 Purpose of Agreement: Covenants and Restrictions. The purpose of this Agreement is to express the mutual obligations and commitments of the City and Developer to take those actions necessary and appropriate to develop the Project consistent with the improvement work and development required by the terms and conditions of this Agreement.

ARTICLE II **REPRESENTATIONS AND WARRANTIES**

2.1 Representations and Warranties of the City. To induce Developer to enter into this Agreement, develop the Project Area and construct the Project, the City hereby makes the following representations and warranties to Developer.

2.1.1 Organization and Standing. The City is a municipality duly organized, validly existing and in good standing under the constitution and laws of the State of Illinois.

2.1.2 Power and Authority. The City has full power and authority to execute and deliver this Agreement and to perform all of its duties and obligations hereunder.

2.1.3 Authorization and Enforceability. The execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on the part of the City. This Agreement is a legal, valid and binding special and limited obligation of the City, enforceable against the City in accordance with its terms.

2.1.4 No Violation. Neither the execution nor the delivery of this Agreement nor the performance of the obligations of the City hereunder will conflict with, violate or result in a breach of any of the terms, conditions, or provisions of, or constitute a default under, or (with or without the giving of notice or the passage of time or both) entitle any party to terminate or

declare a default under any contract, agreement, lease, license, or instrument or any rule, regulation, statute, ordinance, judicial decision, judgment, decree, or other law to which the City is a party or by which the City may be bound.

2.1.5 Ordinances. The City has duly adopted the Ordinances in accordance with all applicable laws; furnished Developer with a true and correct copy of the Ordinances; and not adopted any other ordinance which amends, modifies, rescinds or repeals this Agreement or the Ordinances.

2.1.6 Governmental Consents and Approvals. Except for the Ordinances, which have been duly adopted by the City Council, no consent or approval by a governmental authority is required in connection with the execution and delivery by the City of this Agreement or the performance by the City of its special and limited obligations hereunder.

2.2 Representations and Warranties of Developer. To induce the City to enter into this Agreement, Developer makes the following representations and warranties to the City:

2.2.1 Organization. Developer is a limited liability company, and is duly organized and validly existing in good standing under the laws of the State of Illinois, and is duly qualified to transact business in the State of Illinois. Developer agrees to do or cause to be done all things necessary to preserve and keep in full force and effect its existence and good standing as a corporation authorized to do business in the State of Illinois during the term of this Agreement.

2.2.2 Power and Authority. Developer and its Authorized Representative who executes this Agreement have full power and authority to: execute, deliver and perform its obligations under this Agreement; develop the Project Area; and finance, construct and operate the Project in the manner contemplated by this Agreement.

2.2.3 Authorization and Enforceability. The execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary corporate action on the part of Developer. This Agreement is a legal, valid and binding obligation of Developer, enforceable against Developer in accordance with its terms.

2.2.4 Non-Conflict or Breach. Developer represents and warrants that the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement, do not conflict with or result in a breach of any of the terms, conditions or provisions of any restriction, agreement or instrument to which it is now a party or by which it is bound, or constitutes a default under any, of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon the Project or upon any assets of it under the terms of any instrument or agreement to which it is now a party or by which it is bound.

2.2.5 Consents. No consent or approval by any governmental authority or private person is required in connection with the execution and delivery by Developer of this Agreement or the performance thereof by Developer.

2.2.6 Redevelopment Project Description. The description of the Project Area is set forth in Exhibit A and is accurate in all material respects.

2.2.7 TIF Eligible Improvements. The components of the Project, the estimated costs of which are considered to be eligible Reimbursable Project Costs, are described in Exhibit C.

2.2.8 No Proceedings or Judgments. There is no claim, action or proceeding now pending before any court which seeks to prevent development of the Project.

ARTICLE III **CONSTRUCTION OF PROJECT AND PAYMENT OF COSTS**

Section 3.1. Performance of Work

(a) Developer Improvements. The Developer 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 TIF Eligible Improvements in accordance with the following schedule:

<u>Activity</u>	<u>Time for Performance</u>
Developer shall submit all completed documentation for approval of the development plans of this site	Within one hundred twenty (120) days of signing this Agreement
Developer shall commence the construction activities associated with the Project	Within ninety (90) days following the date on which all permits or approvals of governmental entities required to perform the Project have been issued
Developer shall substantially complete all such construction activities associated with the Project	Within one hundred eighty (180) days after commencing construction
Receipt of the NFR from the IEPA for the Project Area	Within three hundred sixty-five (365) days after commencing construction
Developer shall submit completed documentation for redevelopment of the Project Area, which documentation shall be satisfactory to the City in its reasonable discretion. In exercising its discretion, the City shall consider what use or uses of the Project Area are commercially reasonable and consistent with the applicable ordinances and comprehensive plan of the City. Upon request of Developer, the City shall assist the Developer in the marketing and development of the Project Site to ensure that the proposed development is commercially reasonable and consistent with the applicable ordinances and comprehensive plan of the City.	Within one hundred eighty (180) days of substantial completion of all construction activities associated with the Project and receipt of the NFR from the IEPA

(b) Construction Schedule. The performance schedule of the developer set forth in this section is premised on the Developer receiving timely approval by the City Council of all planning approvals required to accommodate the redevelopment plan, including the City's approval of the Planned Use Rezoning for a Planned Development, if required and uses requested by the Developer for the 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 Developer, 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.

(c) Failure to Meet Construction Schedule. Subject to Force Majeure, in the event that the Developer fails to meet the schedule specified in Section 3.1(a) above the Maximum Reimbursable Project Costs will be reduced by 10%. The Maximum Reimbursable Project Costs will be reduced by an additional 10% for each additional 180-day period that goes by that the Developer fails to meet the schedule specified in Section 3.1(a) above.

(d) Extension of Time. Notwithstanding any provision of this Agreement to the contrary, the Developer may, upon reasonable cause shown by the Developer, request the Mayor or his designees 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 the Developers performance under Section 3.1(a) shall be extended to conform to the Developer's extended time for performance.

3.2 Project Design. Developer shall cause the necessary Development Plans to be prepared for the construction of the TIF Eligible Improvements. Such Development Plans shall be prepared by a licensed architect or registered professional engineer and shall be prepared in conformance with generally applicable standards for the performance of such work within each professional discipline. Upon completion of the Development Plans, Developer shall, prior to beginning work, submit plans to the City for approval in accordance with all zoning, subdivision and building codes and obtain all necessary permits. If, during the course of the Project, Developer desires to make any change in the Development Plans in a way which materially affects the appearance, function, or implementation of the Project, Developer shall submit the proposed change to the City for its approval. If the Development Plans, as modified by the proposed change, meet all applicable building and zoning codes, the City shall approve the proposed change. No approval required pursuant to this paragraph shall be unreasonably withheld, conditioned or developed. The City represents and warrants that the Plans described in Exhibit C of this Agreement have been reviewed and approved.

3.3 Conformance to Federal State and Local Requirements. All construction work associated with the Project shall conform with applicable Federal, State and local laws, regulations, and ordinances. The Developer shall post a performance bond or letter of credit with the City in an amount not to exceed \$150,000 to cover the actual costs incurred by the City to stabilize the Project Area if Developer defaults in its obligation to complete the TIF Eligible Improvements. The letter of credit shall be released upon Substantial Completion by Developer, and shall be replaced by a letter of credit to cover any warranty work for a period of two (2) years.

3.4 Completion of Construction. Upon Substantial Completion, Developer may notify the City and request a Certificate of Completion. Upon receipt of such notice, the City shall inspect the improvements and shall issue a Certificate of Completion if all TIF Eligible Improvements are substantially complete. If the City determines that material deficiencies exist in any TIF Eligible Improvements, the City shall notify Developer of each specific deficiency and the corrective action required. Upon presentation by Developer of reasonably satisfactory evidence of correction of all deficiencies so specified and performance by Developer of any corrective action reasonably required, the City shall issue a Certificate of Completion in recordable form, which Certificate shall constitute a conclusive determination of satisfaction of Developer's obligation to perform the TIF Eligible Improvements. Upon issuance of a Certificate of Completion, the City shall own such of the improvements as are situated in a public right of way and are within its municipal power to own. Maintenance responsibility for public improvements will pass to the City or other appropriate public body, subject to the continuing temporary maintenance responsibility of Developer pursuant to the applicable ordinances of the City, and subject to the rights of Developer and/or the City to enforce warranties given by contractors for the improvements.

3.5 Payment of Reimbursable Project Costs. Payment of Reimbursable Project Costs to Developer shall be conditioned upon Substantial Completion, submission of a Certificate of Reimbursable Project Costs to the City and availability of amounts in the TIF Fund Sub Account. The Certificate of Reimbursable Project Costs shall be in the form set forth in Exhibit E hereof.

3.6 Approval of Certificates. The City Administrator or designee shall approve or disapprove the Certificate of Reimbursable Project Costs by written notice to Developer within forty-five (45) days after receipt of the Certificate. Approval of the Certificate of Reimbursable Project Costs will not be unreasonably withheld, conditioned or delayed. If the Certificate of Reimbursable Project Costs is disapproved by the City Administrator or designee, the reasons for disallowance will be set forth in writing and Developer may revise and/or resubmit the Certificate of Reimbursable Project Costs with such additional information as may be required and the same procedures set forth herein shall apply to such resubmittals.

3.7 Categories of Reimbursable Project Costs. The City acknowledges that the categories of costs set forth in Exhibit D hereof constitute Reimbursable Project Costs. Developer shall not be limited to the total amount of reimbursement shown for any such category on Exhibit D, but shall be entitled to reimbursement for Reimbursable Project Costs from any of the categories set forth therein, without regard to the maximum amount shown for each category, up to the Maximum Reimbursable Project Costs. The parties acknowledge that the determination of Reimbursable Project Costs and, therefore, qualification for reimbursement hereunder, are subject to changes or interpretation made by amendments to the Act, administrative rules or judicial interpretation during the term of this Agreement. The City shall have no obligation to Developer to attempt to modify such decisions but will assist Developer in every respect as to obtaining approval of Reimbursable Project Costs. If the City reasonably determines pursuant to the terms of this Agreement that any cost identified as a Reimbursable Project Cost is not a Reimbursable Project, Developer shall have the right to identify and substitute other Reimbursable Project Costs with a supplemental application for payment.

3.8 Rights of Inspection. The City or its designee shall have the right, but shall have no obligation at any time and from time to time during business hours upon reasonable notice to

enter upon the Project Area for the purpose of inspection of the TIF Eligible Improvements provided that the City and its agents shall not interfere with the improvements and shall abide by the rules of Developer or its contractors or subcontractors for the protection of workers or visitors, and to ensure compliance with applicable laws. If the City, in its reasonable judgment, determines that any work and materials with respect to the TIF Eligible Improvements are not in material conformity with the Development Plan (or an approved revision thereof), or with any applicable laws, regulations, permits, requirements or rules of any governmental authority having or exercising jurisdiction, the City may, but shall be under no obligation to do so, promptly notify Developer in writing of same and Developer shall cause such deficiency to be corrected. If the City reasonably determines that the work or materials are not in material conformity with the Development Plan and applicable requirements of law, the City shall have the right but not the obligation to cause same to be changed by Developer. Inspection by the City of the TIF Eligible Improvements shall not be construed as a representation by the City, that there has been compliance with the Development Plan, or that the Project will be or is free of faulty materials or workmanship, or a waiver of any right the City or any other party may have against Developer or any other party for noncompliance with the Development Plan.

ARTICLE IV **TERMINATION OF AGREEMENT**

Subject to delay resulting from Force Majeure, in the event that Developer has not commenced construction of the Project set forth in Section 3.1(a) within three-hundred and sixty-five (365) days from the signing of this Agreement, this Agreement shall terminate and the parties shall have no further rights or obligations hereunder.

ARTICLE V **DEPOSIT PAYMENT AND ADMINISTRATION** **OF INCREMENTAL REVENUES**

5.1 Deposit of Revenues. The City shall deposit all Incremental Revenues into the TIF Fund Sub-Account and allocate, distribute and pay them in accordance with this Agreement. Except as otherwise provided herein, the City shall not allocate, distribute, pay, pledge or hypothecate any Incremental Revenues until the Maximum Reimbursable Project Costs have been paid in accordance with this Agreement.

5.2 TIF Fund Sub-Account. All Incremental Revenues shall be segregated and deposited and maintained in a special TIF Fund Sub-Account for distribution pursuant to this Agreement.

5.3 TIF Fund Sub-Account Records. The City will maintain current records of the income to and disbursements from the TIF Fund Sub-Account, and upon request, the City will provide Developer on or before the end of their fiscal year April 30 of each year with a statement showing all transactions related to Developer during the preceding calendar year, and permit Developer, at any time, to audit the TIF Fund Sub-Account.

5.4 Payment to Developer from TIF Fund Sub-Account. The City shall pay to Developer from the TIF Fund Sub-Account on or before the end of their fiscal year April 30 of each year, such amounts as are held in the TIF Fund Sub-Account up to, in the aggregate, the lesser of (i) the amount of the Certificates of Reimbursable Project Costs approved by the City or (ii) the

Developer's Share. Notwithstanding anything to the contrary herein, the aggregate of all payments pursuant to this Agreement, including the payments pursuant to Section 5.5 below, shall not exceed the Maximum Reimbursable Project Costs.

5.5 TIF Note to Developer. The City shall issue a TIF note to the Developer in the amount of Fifty Thousand and No/100 Dollars (\$50,000.00) after all of the following conditions have been satisfied: (i) the IEPA has issued the NFR; and (ii) the City has approved Certificates of Reimbursable Project Costs for an amount in excess of Fifty Thousand and No/100 Dollars (\$50,000.00). Once the TIF note has been issued, the City will make annual payments to the Developer no later than the end of their fiscal year April 30 of each year in the amount of \$5,000.00 per year for ten (10) years to pay off said note on the condition there are monies available in the Special Tax Allocation Fund for the Central City TIF Redevelopment Project Area to cover said payments.

ARTICLE VI **DEVELOPER'S COVENANTS**

6.1 Construction Plans. Plans for the construction of any public improvements, utilities and appurtenances associated with the Project will conform to the Ordinances and all other applicable ordinances and regulations of the City.

6.2 No Obligation of City. Developer acknowledges that the City shall not have any obligation whatsoever with respect to completion of the Project, expressly including any environmental clean-up which may be required for issuance of the NFR.

6.3 Developer Records. Developer will maintain records, and make available to the City for inspection, documenting all costs of the Project which are eligible for payment by the City under this Agreement.

6.4 Maintenance of Project. Developer agrees that it shall maintain all parts of the Project to a level that meets City Code, including the TIF Eligible Improvements, except for any which have become public improvements and dedicated to the City.

6.5 Payment of Costs by Developer. Developer agrees to pay promptly, as and when the same become due and payable, each and every lawful cost, expense and obligation of every kind and nature, foreseen or unforeseen, for the payment of which Developer is or shall become liable by reason of its estate or interest in the Project or in any portion thereof. Developer shall be responsible for all costs in excess of the Maximum Reimbursable Project Costs.

6.6 Fees. Developer will pay and keep current all City fees in the nature of, sewer user fees, permit fees and the like, that may, from time to time, apply to the Project; provided, however, said Developer may, after giving notice to the City, at its own expense, contest in good faith such fees in which event it may permit such fees to remain unpaid during the period of such contest and any appeal therefrom.

6.7 Payment of Taxes. During the term of this Agreement, Developer shall promptly pay all Real Estate Taxes, and all other taxes which are due from it. It is expressly intended that the

covenant made in this Section shall be a covenant running with the land for the benefit of and enforceable by the City.

6.8 Record Memo. Developer will, after its acquisition of the Real Property and upon request of the City, execute a memorandum of this Agreement to be recorded in the records of the Office of the Recorder of Deeds, St. Clair County, Illinois, indicating in substance that the Real Property is subject to the terms and conditions of this Agreement. Upon termination or expiration of this Agreement, the parties shall execute in recordable form a release of such memorandum.

ARTICLE VII **INDEMNIFICATION AND INSURANCE PROVISIONS**

7.1 Except for any claims, suits or actions caused by the intentional or negligent acts of the Municipality or the Municipality's employees, agents, officers or contractors, Developer, and any person claiming rights hereunder through Developer, agrees to indemnify and defend (including the payment of the Municipality's attorneys fees and related costs) the Municipality from and against any claims, suits, or actions for death or injury to persons or damage to property brought against the Municipality arising from any acts or omissions of Developer with respect to the Project.

ARTICLE VIII **EVENTS OF DEFAULT AND REMEDIES**

8.1 Events of Default. Each of the following shall constitute an event of default (an "Event of Default") under this Agreement:

A. Representation. If any material representation made by Developer or the City in this Agreement, or in any certificate, notice, demand or Certificate made by a party hereto, in writing and delivered to another party hereto pursuant to or in connection with any of said documents shall prove to be untrue or incorrect in any material respect as of the date made; or

B. Breach. Default in the performance or breach of any covenant, warranty or obligation of a party in this Agreement or in any other instrument executed by Developer to the benefit of the City and continuance of such default or breach for a period of thirty (30) days (or such longer period as is reasonable so long as the cure is commenced within such thirty (30) day period and is diligently pursued) after another party hereto has given written notice thereof to such defaulting party hereto unless the other parties hereto shall agree to an extension of such time;

C. Involuntary Bankruptcy. The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of a party hereto in an involuntary case under the Federal Bankruptcy laws, as now or hereafter constituted, or any other applicable Federal or State bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of a party hereto for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days; or

D. Voluntary Bankruptcy. The commencement by a party hereto of a voluntary case under the Federal Bankruptcy laws, as now or hereafter constituted, or any other applicable Federal or state bankruptcy, insolvency or other similar law, or the consent by any such entity to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of Developer or of any substantial part of such entity's property, or the making of any such entity of any assignment for the benefit of creditors or the failure of Developer in furtherance of any of the foregoing.

8.2 Remedies on Default. Upon the occurrence of any Event of Default, any aggrieved party may institute such proceedings as may be necessary or desirable at its option to cure or remedy such default or breach, including, but not limited to, specific performance, provided that no monetary remedy may be had against the City in excess of the Incremental Revenues receivable from time to time under this agreement. In the event of litigation between the parties arising out of this Agreement, the prevailing party shall be entitled to recover reasonable attorney fees incurred.

ARTICLE IX

MISCELLANEOUS PROVISIONS

9.1 Entire Contract and Amendments. This Agreement (together with the Exhibits attached hereto) constitutes the entire contract between the City and Developer relating to the subject matter hereof, supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the City and Developer, and may not be modified or amended except by a written amendment executed by both of the parties.

9.2 Sale or Transfer of the Project. 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 permitted assigns. Developer may not, without the prior written consent of the City, sell, assign or otherwise transfer all or any part of its right, title or interest in the Real Property, the Project or this Agreement prior to substantial completion of the TIF Eligible Improvements. Developer will give the City at least thirty (30) days prior written notice of any proposed assignment of its rights under this Agreement. The City shall not unreasonably withhold, condition or delay its consent. The restrictions on transfer or assignment set forth in this Section 9.2 shall not apply to (a) an assignment to an affiliate of Developer, (b) grant of a mortgage or other security interest in the Real Property or Developer's rights under this Agreement to secure payment of financing for the Project, or (c) lease of the Real Property. After substantial completion of the TIF Eligible Improvements, Developer shall be free to sell, assign or otherwise transfer the Real Property or to assign its rights under this Agreement or both. In the event of transfer of the Real Property or assignment of this Agreement by Developer (and in case of subsequent transfer then the grantor or grantors), Developer shall be relieved from and after the date of such transfer of all liability with respect to obligations thereafter to be performed under this Agreement. In the event of a proposed transfer or assignment which is permitted under this Agreement, upon written request of Developer (or a subsequent grantee of Developer), the City shall deliver within fourteen (14) days a certificate executed by the City for the benefit of Developer (or any subsequent grantee) and any existing or prospective tenant and/or lender and/or prospective grantee, confirming that (i) this Agreement remains in full force and effect (or, if not, specifying the date of termination or expiration), (ii) there have been no amendments to this Agreement (or, if this Agreement has been amended, identifying all such amendments), and (iii) no party to this Agreement is in default or has given or received notice of

any default that remains uncured (or, if an uncured default exists, specifying the default or notice thereof).

9.3 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 persons other than the City and Developer and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to either the City or Developer, nor shall any provision give any third parties any right of subrogation or action over or against either the City or Developer. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

9.4 Counterparts. Any number of counterparts of this Agreement may be executed and delivered and each shall be considered an original and together they shall constitute one agreement.

9.5 Notices. Any notice, demand, or Certificate required or permitted to be given under the provisions of this Agreement shall be in writing and delivered personally or by registered or certified mail, postage prepaid, to the following persons and addresses, or to such other addresses or persons as either Party may designate by subsequent notice to the other Party:

If to the City, to:

City of O'Fallon
255 S. Lincoln Avenue
O'Fallon, IL 62269
Attn: Mayor

with a copy to:

Terry I. Bruckert
Bruckert, Gruenke & Long, P.C.
1002 East Wesley Drive
Suite 100
O'Fallon, IL 62269

If to Developer, to:

Dover Frontier LLC
26682 Via a Jolla
San Juan Capistrano, CA 92675
Attn: Yong B. Kim

with a copy to:

David L. Antognoli, Esq.
Goldenberg Heller & Antognoli, P.C.
2227 S. State Route 157
Edwardsville, IL 62025

9.6 Governing Law. This Agreement has been executed and delivered in O'Fallon, Illinois, and shall be construed in accordance with and governed by the laws of the State of Illinois.

9.7 Severability. The parties intend and believe that each provision of this Agreement complies with applicable local, State, and Federal laws and judicial decisions. However, if any provision or any portion of any provision of this Agreement is found by a court of law to be in violation of any applicable Local, State or Federal ordinance, statute, law, administrative or judicial decision, or public policy, and if such court should declare such provision or portion to be illegal, invalid, unlawful, void or unenforceable as written, it is the intent of the parties that such provision or portion shall be given force to the fullest possible extent that it is legal, valid and enforceable, that the remainder of this Agreement shall be construed as if such illegal, invalid, unlawful, void or unenforceable provision or portion were not contained in this Agreement, and that the rights, obligations and interests of the parties under the remainder of this Agreement shall continue in full force and effect.

9.8 Waiver. The failure of either of the parties to insist, in any one or more instances, on the performance of any term, covenant or condition of this Agreement shall not be construed as a waiver or relinquishment of any rights hereunder or of the future performance of any such term, covenant or condition, but the obligations of the parties with respect thereto shall continue in full force and effect.

9.9 No Waiver by Delay. Any delay by either party hereto in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this Agreement shall not operate to act as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the parties hereto should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope to otherwise resolve the problems created by the default involved; nor shall any waiver in fact made by the parties hereto with respect to any specific default by Developer under this section be considered or treated as a waiver of the rights of the parties, with respect to any defaults under any Section in this Agreement or with respect to the particular default, except to the extent specifically waived in writing by the parties.

9.10 Rights and Remedies Cumulative. The rights and remedies of the parties to this Agreement (or their successors in interest) whether provided by law or by this Agreement, shall be cumulative, and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the time or different times, of any other such remedies for the same default or breach by the defaulting party. No waiver made by such party with respect to the performance, nor the manner of time thereof, or any obligation of the defaulting party or any condition to its own obligation under the Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the defaulting party.

9.11 Repealer. To the extent that any ordinance, resolution, rule, order or provision of the City or any part thereof is in conflict with the provisions of this Agreement, the provisions of this Agreement shall be controlling.

9.12 No Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official officer, agent or employee of the City,

in his individual capacity, and neither the members of the City Council nor any official executing this Agreement shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement. Nor shall any covenant or agreement contained in this Agreement be deemed to be the covenant or agreement of any officer, agent or employee of Developer in his individual capacity, and no such officer, agent or employee of Developer executing this Agreement shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of the execution and delivery of this Agreement.

9.13 Equal Employment Opportunity. Developer, for itself and its successors and assigns, agrees that during the completion of the improvements and any development work receiving Redevelopment Assistance or benefits hereunder provided for in this Agreement that the following will apply:

A. Non-Discrimination. Developer will maintain a policy committing not to discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, age or national origin.

B. Advertising. Developer will state in all employment applications that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age or national origin.

IN WITNESS WHEREOF, the City has caused this Agreement to be executed by its Mayor, attested by its City Clerk and its corporate seal to be affixed hereto, and Developer has caused this Agreement to be executed by its Authorized Representative.

Adopted this 2nd day of April, 2018.

City:
City of O'Fallon

Developer:
Dover Frontier LLC

By: _____

Mayor

By: _____

Title: _____

Attest: _____

City Clerk



EXHIBIT A
Legal Description of Real Property

PART OF LOT 4 OF THE NORTHWEST QUARTER OF SECTION 32, TOWNSHIP 2 NORTH, RANGE 7 WEST OF THE THIRD PRINCIPAL MERIDIAN, 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 LAND NORTH "2" ON PAGE 27, BEING MORE PARTICULARLY DESCRIBED AS FOLLOWS, TO-WIT: BEGINNING AT AN IRON ROD SET 33.0 FEET SOUTH OF THE NORTH LINE OF LOT 4 AND 100.0 FEET EAST OF THE EAST RIGHT OF WAY LINE OF STATE AID ROUTE NO. 2 BEING 100.0 FEET IN WIDTH AND LYING 50.0 FEET ON EACH SIDE OF THE CENTERLINE THEREOF; THENCE SOUTH ALONG A LINE LYING PARALLEL TO THE EAST RIGHT OF WAY LINE OF STATE AIDE ROUTE NO. 2, A DISTANCE OF 200.0 FEET TO AN IRON ROD; THENCE NORTH 88° 27' WEST A DISTANCE OF 100.0 FEET TO AN IRON ROD SET ON THE EAST RIGHT OF WAY LINE OF STATE AID ROUTE 2; THENCE SOUTH ALONG THE EAST RIGHT OF WAY LINE OF STATE AID ROUTE NO. 2, A DISTANCE OF 404.37 FEET TO AN IRON ROD; THENCE EAST A DISTANCE OF 160.0 FEET TO A POINT; THENCE SOUTH A DISTANCE OF 150.0 FEET TO A POINT; THENCE EAST A DISTANCE OF 143.0 FEET TO A POINT; THENCE NORTH A DISTANCE OF 156.0 FEET TO A POINT; THENCE NORTH 55° 28' EAST ALONG THE NORTHWESTERLY LINE OF A TRACT AS DESCRIBED IN BOOK 2332 ON PAGE 2338, A DISTANCE OF 38.85 FEET TO A POINT; THENCE NORTH A DISTANCE OF 290.0 FEET TO A POINT; THENCE NORTH 37° 49' EAST A DISTANCE OF 89.75 FEET TO A POINT; THENCE NORTH A DISTANCE OF 200 FEET TO AN IRON ROD SET ON THE SOUTHWESTERLY RIGHT OF WAY LINE OF STATE BOND ISSUE ROUTE NO. 12; ALSO KNOWN AS UNITED STATES ROUTE NO. 50; SAID IRON ROD BEING SET 33.0 FEET FROM THE CENTERLINE THEREOF; THENCE IN A NORTHWESTERLY DIRECTION ALONG THE SOUTHWESTERLY RIGHT OF WAY LINE OF STATE BOND ISSUE ROUTE NO. 12, A CHORD DISTANCE OF 88.8 FEET TO AN IRON ROD, THE BEARING OF SAID CHORD BEING NORTH 85° 05' WEST, SAID ROD BEING 33.0 FEET FROM THE CENTERLINE OF STATE BOND ISSUE ROUTE NO. 12; THENCE NORTH 88° 27' WEST ALONG A LINE THAT IS 33.0 FEET SOUTH OF THE NORTH LINE OF SAID LOT 4, A DISTANCE OF 201.8 FEET TO THE POINT OF BEGINNING. SITUATED IN THE COUNTY OF ST. CLAIR, STATE OF ILLINOIS.

EXCEPTING ALL OIL, COAL, GAS AND MINERALS UNDERLYING SAID PREMISES HERETOFORE EXCEPTED, RESERVED OR CONVEYED OF RECORD TOGETHER WITH THE RIGHT TO MINE AND REMOVE THE SAME AND ALL RIGHTS AND EASEMENTS IN FAVOR OF THE ESTATE OF SAID COAL, OIL, GAS AND OTHER MINERALS, IF ANY, AS TO ALL AFOREMENTIONED PROPERTY(IES).

EXHIBIT B
Map of the Real Property

Southview Plaza - Redevelopment Agreement - Project Area



Subject
Property

0 45 90 180 270 360
Feet



OFallon
REAL ESTATE

EXHIBIT C
Description of the Project/Plans

The Project consists of a demolition of existing improvements, environmental remediation compliant with any terms of the IEPA NFR, site grading, excavation and other site preparation (the surface of the Project Area must be dust free (asphalt, oil & chip, concrete pavement or other suitable engineered horizontal barrier, and all holes and dirt mounds must be restored to a level grade), installation, extension and/or relocation of utilities, and related public improvements on a site consisting of approximately 4.90 Acres located at the Southeast Corner of US 50 and South Lincoln Avenue, O'Fallon, IL 62269.

EXHIBIT D
ANTICIPATED TIF ELIGIBLE IMPROVEMENT COSTS

<u>Estimated Cost</u>	<u>Item</u>
\$200,000	Professional services (legal, engineering and design) allocable to environmental remediation and other TIF Eligible Improvements
\$570,000	Demolition
\$700,000	Environmental remediation (must be compliant with any terms of IEPA NFR)
\$ 150,000	Installation, extension and/or relocation of utilities
\$ 140,000	Site grading, excavation and other site preparation (including site improvements serving as an engineered barrier addressing ground level or below ground environmental contamination). The surface of the Project Area must be dust free (asphalt, oil & chip, concrete pavement or other suitable engineered horizontal barrier), and all holes and dirt mounds must be restored to a level grade.
\$40,000	Financing costs, including but not limited to interest accruing during the estimated period of construction
<hr/> \$1,800,000	TOTAL ESTIMATE

EXHIBIT E
FORM OF
CERTIFICATE OF REIMBURSABLE PROJECT COSTS

Certificate of Reimbursable Project Costs

TO: City of O'Fallon

Attention: City Administrator

Re: Tax Increment Redevelopment Agreement between the City of O'Fallon (the "City") and Dover Frontier LLC ("Developer") dated Apr. 12, 2018 (the "Agreement")

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

In connection with the Agreement, the undersigned hereby states and certifies that:

1. Each item listed on Schedule 1 hereto is a Reimbursable Project Cost and was incurred in connection with the development of the Project.
2. All Reimbursable Project Costs listed on Schedule 1 hereof have been paid by Developer and are eligible for reimbursement under the Act and the Agreement.
3. Each item listed on Schedule 1 has not previously been paid from tax revenue derived from the Project Area, 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 Developer 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 Certificate, except to the extent any such lien is being contested in good faith. Developer has contractor affidavits and lien waivers in connection with the foregoing.

Dated this _____ day of _____, 20__.

DEVELOPER:
Dover Frontier LLC
By: _____
Title _____

AUTHORIZED FOR PAYMENT
CITY OF O'FALLON, ILLINOIS

By: _____
City Administrator

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

**April 26, 2018
Meeting Minutes
TIF #5 Central City**

Draft minutes of the annual meeting of the Joint Review Board held at City Hall, 255 S. Lincoln Ave, O'Fallon, Illinois on April 26, 2018.

Call to order occurred at 3:30 pm

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

ROLL CALL:

Taxing District Representatives: A Hoerner (SWIC), P Cavins (District #90), D Benway (District #203)

City Representatives: W Denton

Others: T Bruckert, T Shekell, S Evans, H Roach, D Arell-Martinez

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

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

OTHER BUSINESS:

The annual TIF reports for fiscal years 2016 and 2017 were presented. The City explained about the signed agreement with the building owner of Southview Plaza to complete demolition and handle any environmental remediation. This needs to be finished before the City can approach any investors. There were no other questions or discussion.

Motion to adjourn by D Benway and 2nd by A Hoerner at 3:34 pm.

Next Meeting: TBD