

ORDINANCE NO. 21-007

CITY OF MONMOUTH, WARREN COUNTY, ILLINOIS

**MONMOUTH MAIN STREET
TAX INCREMENT FINANCING (TIF) DISTRICT**

**AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A REDEVELOPMENT AGREEMENT**

by and between

THE CITY OF MONMOUTH

and

MONMOUTH TOWNHOMES, LP

**ADOPTED BY THE CORPORATE AUTHORITIES
OF THE CITY OF MONMOUTH, WARREN COUNTY, ILLINOIS,
ON THE 1ST DAY OF MARCH, 2021.**

MONMOUTH MAIN STREET TAX INCREMENT FINANCING (TIF) DISTRICT

AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A REDEVELOPMENT AGREEMENT

by and between

THE CITY OF MONMOUTH

and

MONMOUTH TOWNHOMES, LP

BE IT ORDAINED BY THE CITY OF MONMOUTH, WARREN COUNTY, ILLINOIS
THAT:

1. The Redevelopment Agreement attached hereto as *Exhibit A* by and between the City of Monmouth, Warren County, Illinois, an Illinois Home Rule Municipality (the “City”) and Monmouth Townhomes, LP, an Illinois Limited Partnership is hereby approved.
2. The Mayor is hereby authorized and directed to enter into and execute on behalf of the City said Redevelopment Agreement and the City Clerk of the City of Monmouth is hereby authorized and directed to attest such execution.
3. The Redevelopment Agreement shall be effective the date of its approval on the 1st day of March, 2021.
4. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

(The remainder of this page is intentionally blank.)

UPON MOTION by Alderman _____, seconded by Alderman _____, and **PASSED, APPROVED AND ADOPTED** by roll call vote of the Corporate Authorities of the City of Monmouth, Warren County, Illinois, on the 1st day of March, A.D., 2021, and deposited and filed in the Office of the City Clerk of said City on that date.

MAYOR AND ALDERMEN	AYE VOTE	NAY VOTE	ABSTAIN/ABSENT
Tony Cook			
Justin Thomas			
Brian Daw			
Susan Twomey			
Jim Conard			
Juan Pinedo			
Mary Kelly			
Dan Heatherly			
Rod Davies, Mayor			
TOTAL VOTES:			

APPROVED: _____
Mayor

Date: _____

ATTEST: _____
City Clerk

Date: _____

ATTACHMENT:

EXHIBIT A. REDEVELOPMENT AGREEMENT BY AND BETWEEN THE CITY OF MONMOUTH AND MONMOUTH TOWNHOMES, LP.

EXHIBIT A

REDEVELOPMENT AGREEMENT

by and between

THE CITY OF MONMOUTH

and

MONMOUTH TOWNHOMES, LP

**TAX INCREMENT FINANCING DISTRICT
REDEVELOPMENT AGREEMENT**

by and between

**CITY OF MONMOUTH, WARREN COUNTY, ILLINOIS
(MONMOUTH MAIN STREET TIF DISTRICT)**

and

MONMOUTH TOWNHOMES, LP

MARCH 1, 2021

REDEVELOPMENT AGREEMENT
by and between
CITY OF MONMOUTH, WARREN COUNTY, ILLINOIS
(MONMOUTH MAIN STREET TIF DISTRICT)
and
MONMOUTH TOWNHOMES, LP

MONMOUTH MAIN STREET TAX INCREMENT FINANCING DISTRICT

THIS REDEVELOPMENT AGREEMENT (including *Exhibits*) is entered this 1st day of March, A.D. 2021, by and between the City of Monmouth, Warren County, Illinois, an Illinois Home Rule Municipal Corporation (the “City”), and Monmouth Townhomes, LP, an Illinois Limited Partnership (the “Developer”).

PREAMBLE

WHEREAS, the City has the authority to promote the health, safety and welfare of the City and its citizens, and to prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of private investment in the marketability of property thereby increasing the tax base of the City and providing employment for its citizens; and

WHEREAS, pursuant to 65 ILCS 5/8-1-2.5, a municipality may appropriate and expend funds for economic development purposes, including without limitation for commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the community; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 et. seq., as amended (the “Act”), the City has the authority to provide incentives to owners or prospective owners of real property to redevelop, rehabilitate and/or upgrade such property by reimbursing the owner for certain costs from resulting increases in real estate tax revenues (“real estate tax increment”) or from other City revenues; and

WHEREAS, on January 19, 2021, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or obsolete or a combination thereof, the City approved a Tax Increment Financing (TIF) Redevelopment Plan and Projects (the “Plan”), designated a Redevelopment Area and adopted Tax Increment Financing as provided under the Act for the Monmouth Main Street TIF District (the “TIF District”); and

WHEREAS, it is the intent of the City to encourage economic development which will increase the real estate tax revenue of the City, which increased incremental taxes will be used, in part, to finance incentives to assist development within the TIF District; and

WHEREAS, included in the TIF District are certain parcels of property that, upon the City having satisfied requirements set forth in Section 5/11-74.4-4 of the Act, are to be acquired by the

Developer from the City and are located at the 200 Block of East Jackson Ave., Monmouth, Illinois (PIN #'s 09-044-128-00; 09-044-184-00 and 09-044-128-05, the "City Parcels"); and

WHEREAS, on March 1, 2021, the City approved an Ordinance Authorizing the Sale of Property for the City Parcels for the agreed price, payable at closing and subject to the terms of a mutually agreeable contract and site plan attached hereto as *Exhibit 1*; and

WHEREAS, included in the TIF District is an additional parcel of property that is to be acquired by the Developer that is located at 117 East Jackson St., Monmouth, Illinois (PIN #09-044-204-00, the "Additional Parcel"); and

WHEREAS, the City Parcels and said Additional Parcel are hereinafter collectively referred to as the "Property"; and

WHEREAS, the Developer intends to acquire said Property and undertake a redevelopment project thereon to construct a residential subdivision consisting of 44 duplex-unit townhomes, clubhouse, and a management office (the "Project"), and is doing so based on the availability of TIF incentives offered by the City; and

WHEREAS, area median income ("AMI") this is a statistic used by the U.S. Department of Housing and Urban Development ("HUD") for purposes of determining the eligibility of applicants for certain federal housing programs; and

WHEREAS, the Developer is anticipated to develop the Project for occupants whose annual income is equal to or less than 80% of the AMI for the Monmouth-Warren County area; and

WHEREAS, on March 3, 2020, the Parties executed the *Term Sheet Defining Roles & Responsibilities of a Development Agreement between City of Monmouth, Illinois and Jim Bergman, Developer* (the "Term Sheet") attached hereto as *Exhibit 2* and for which the Parties agree is to be incorporated hereto as a primary reference for the terms and conditions provided in this Agreement; and

WHEREAS, the Developer's proposed Project is consistent with the TIF District Redevelopment Plan and Projects for the Redevelopment Project Area and further conforms to the land uses of the City as adopted; and

WHEREAS, pursuant to Section 5/11-74.4-4(b) of the Act, the City may make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others necessary or incidental to the implementation and furtherance of the Redevelopment Plan; and

WHEREAS, pursuant to Section 5/11-74.4-4(j) of the Act, the City may incur project redevelopment costs and reimburse developers who incur redevelopment project costs authorized by a redevelopment agreement and further defined in Section 5/11-74.4-3(q) of the Act, including those Estimated TIF Eligible Project Costs to be incurred by the Developer in furtherance of the Project (the "Developer's TIF Costs") as herein listed in the attached *Exhibit 3* of this Agreement; and

WHEREAS, the Developer has requested that incentives for the Project be provided by the City from incremental increases in real estate taxes of the City generated from the Property in respect of the Project and the City has agreed to such incentives; and

WHEREAS, as more fully described in Section C of this Agreement, the Parties have agreed that the City shall reimburse the Developer **Ninety-Five Percent (95%)** of the Real Estate Tax Increment generated by the Project for reimbursement of the Developer's TIF Costs as set forth in *Exhibit 3* attached hereto.

WHEREAS, the City has determined that this Project required the incentives requested as set forth herein and that said Project will, as a part of the Plan, promote the health, safety and welfare of the City and its citizens by attracting private investment to prevent blight and deterioration and to generally enhance the economy of the City and provide for employment opportunities for its residents; and

WHEREAS, the City has reviewed the conditions of the Property and has reason to believe that the costs of the necessary public and private improvements to be incurred by the Developer in furtherance of the Project are eligible project costs under the Act and are consistent with the Plan; and

WHEREAS, the City is entering into this Agreement having encouraged and induced the Developer to proceed with the Project located on said Property.

AGREEMENTS

NOW, THEREFORE, the Parties, for good and valuable consideration, the receipt of which is acknowledged, agree as follows:

A. PRELIMINARY STATEMENTS.

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.
3. Upon closing of the Real Estate Contract attached hereto as *Exhibit 1*, the Developer shall immediately forthwith pay to the City a total sum of **One Hundred Eighty-three Thousand and 00/100 Dollars** (\$183,000.00) for payment of City Invoice #7252 (professional fees) and City Invoice #7253 (site development fees) attached hereto as *Exhibit 4*.
4. The Developer shall proceed to construct the Project in compliance with all municipal ordinances relating to property development, property condition, zoning, subdivision and building codes (collectively, the "City Codes"). Failure to cure the violation of any such

ordinance within thirty (30) days upon being provided written notice of the same by the City shall be cause for the City to declare the Developer in Default and unilaterally terminate this Agreement, except where such failure is not reasonably susceptible to cure within such 30-day period, in which case the Developer shall have such additional time to cure as is reasonably necessary, provided that the Developer has commenced such cure within such 30-day period and continues to diligently prosecute the same to completion.

5. Subject to **Section U** of this agreement and **Paragraph 4** above, the Developer shall dedicate, and the City shall accept all public infrastructure constructed by the Developer as recommended and accepted by the City Engineer, including water mains, sanitary sewer lines, surface water drainage features, streets, and sidewalks which are constructed at the Developer's expense.
6. Pursuant to the Term Sheet, the Developer agrees to disclose information as may be requested by the City during the term of this Agreement relating to individuals, corporations, or other entities who are part to the Developer's legal ownership of the Project and this Agreement.

B. ADOPTION OF TAX INCREMENT FINANCING.

As set forth in the recitals, the City has created the TIF District, which includes the Property. The City has approved the payment of certain "redevelopment project costs" under the TIF Act and its Redevelopment Plan, including the types described as the Developer's TIF Costs in **Exhibit 3** for the Project.

C. INCENTIVES.

In consideration for the Developer purchasing the Property and completing the Project as required herein, the City agrees to extend to the Developer the following incentives to assist the Project:

1. The City shall reimburse the Developer **Ninety-Five Percent (95%)** of the annual Real Estate Tax Increment generated by the Project for reimbursement of the Developer's TIF Costs as set forth in **Exhibit 3** attached hereto. Such reimbursement shall commence with the tax year 2022 payable 2023 real estate tax increment generated by the Property, if any, and shall continue through the term of this Agreement set forth in **Section X** below, or upon the Developer receiving the maximum cumulative reimbursement amount of **Five Million Two Hundred Forty-Four Thousand and 00/100 Dollars (\$5,244,000.00)** as set forth in **Exhibit 3** attached hereto, whichever occurs first. These funds are to be allocated to and when collected shall be paid to the City Treasurer for deposit in a separate account within the Special Tax Allocation Fund for the TIF District designated as the **Monmouth Townhomes, LP Special Account** ("Special Account") and then paid to the Developer as set forth in this Agreement.

2. If pursuant to *Section 11-74.4-3 (q) (11) (F)* of the Act the City reimburses the Developer from tax increment revenues for up to 50% of the cost of construction of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act, the eligible costs provided under said subparagraph (F) of paragraph (11) shall be an eligible cost for the construction, renovation, and rehabilitation of all low and very low-income housing units, as defined in Section 3 of the Illinois Affordable Housing Act within the TIF District. If the low and very low-income units are part of the Project and includes units not affordable to low and very low-income households, only the low and very low-income units shall be eligible for benefits under said subparagraph (F) of paragraph (11). The standards for maintaining the occupancy by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, of those units constructed with eligible costs made available under the provisions of said subparagraph (F) of paragraph (11) shall be established by guidelines adopted by the City. The responsibility for annually documenting the initial occupancy of the units by low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act, shall be that of the then current owner of the property. For ownership units, the guidelines will provide, at a minimum, for a reasonable recapture of funds, or other appropriate methods designed to preserve the original affordability of the ownership units. For rental units, the guidelines will provide, at a minimum, for the affordability of rent to low and very low-income households. As units become available, they shall be rented to income-eligible tenants.
 - a. For purposes of establishing said standards and guidelines, the City and Developer hereby agree the Project will be the subject of a Low-Income Housing Tax Credit Extended Use Agreement (the “EUA”). The EUA is mandated by the Illinois Housing Development Authority and the Internal Revenue Code. It shall set forth affordability requirements that are consistent with the Act and those which have been represented to the City. Upon completion and placement in service of the Project, the EUA shall be recorded against the property with the Warren County Clerk and Recorder and vigorously enforced by the Illinois Housing Development Authority and the investor in the tax credits. If the Developer herein seeks reimbursement for costs associated with the construction of new affordable housing the City has the right to seek specific performance to enforce the affordability restrictions set forth therein. The EUA shall have an initial term of 30 years, however, the guidelines set forth in the EUA shall be in effect for as long as tax increment revenue is being used to pay for costs associated with the units, or for the retirement of bonds issued to finance the units, or for the life of the TIF District, whichever is later. The Developer shall indemnify and hold harmless the City, and all City elected or appointed officials, officers, employees, agents, representatives, engineers, consultants and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under **Section C(2)** of this Agreement.

3. The City shall assist the Developer with applying for and receiving the benefit of sales tax exemptions available through the Monmouth-Warren County Enterprise Zone as may relate to the purchase of building materials for the construction of the Project.

D. LIMITATION OF INCENTIVES TO DEVELOPER.

1. The Developer shall be reimbursed by the City for all Developer's TIF Costs permitted by the Act and this Agreement (subject to a limitation of \$5,244,000.00) from the Real Estate Tax Increment deposited into the Special Account, but only for the Term of this Agreement and only from the Property included in this Project and owned by the Developer at that location.
2. It is not contemplated nor is the City obligated to use any of its proportionate share of the monies for any of the Developer's TIF Costs but, rather, the City shall use its sums for any purpose under the Act as it may in its sole discretion determine.

E. PAYMENT OF ELIGIBLE PROJECT COSTS.

1. Payment to the Developer for the Developer's TIF Costs shall be made by a Requisition for Verification of the Developer's TIF Costs (*Exhibit 5*, "Requisition") submitted from time to time by the Developer to the City's TIF Administrator Jacob & Klein, Ltd., with copy to The Economic Development Group, Ltd. (collectively, the "Administrator"), and subject to the Administrator's approval of the costs and to the availability of funds in the Special Account.
2. All Requisitions must be accompanied by such bills, paid receipts, contracts, invoices, lien waivers or other evidence as the City shall reasonably require to evidence the right of the Developer to payment or reimbursement under this Agreement.
3. **For the Developer to receive reimbursement of Developer's TIF Costs it has incurred in any year as set forth in *Paragraphs 1 and 2* above, the Developer must submit a Requisition for such costs to the City by March 1 of the following year.** If there are no accumulated outstanding costs previously submitted and approved by the City and if the Developer does not submit such proposed eligible costs by this deadline, the Developer will forfeit reimbursement of such costs from the prior year's Real Estate Tax Increment to be paid in the current year. Any approved Requisitions submitted after this deadline will be eligible for reimbursement from the next year's Net Real Estate Tax Increment.
4. Any real estate tax increment not required to be paid to the Developer under the terms of *Paragraph 3* above shall be available to the City for any purpose set forth in the Plan and allowed by the Act.

5. The Developer shall use such sums as payment or reimbursement for the Developer's TIF Costs only to the extent permitted by the Act and may allocate such funds for any purpose for the term of this Agreement or the term of the TIF District whichever is longer.
6. The Administrator shall approve or disapprove a Requisition by written receipt to the Developer within thirty (30) calendar days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld; provided, however, the only reasons for disapproval shall be that (i) such expenditure is not an expenditure set forth in ***Exhibit 3***, (ii) such expenditure was not incurred by the Developer in accordance with the provisions of this Agreement, or (3) the expenditure is not permissible under applicable law. If a Requisition is disapproved by the Administrator, the reasons for disallowance will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be required and the same procedures set forth herein shall apply to such re-submittals.
7. All Developer's TIF Costs approved shall then be paid by the City from the Special Account to the Developer, or to others as directed by the Developer, pursuant to the Plan and as allowed by Illinois Law. The City shall pay such approved costs annually, provided the Developer has satisfied the terms of this Agreement and costs which exceed the amount available to pay the Developer shall carry forward, until paid, without further action of the Developer. Payment shall be made within forty-five (45) days after approval subject to the terms of this Agreement and after receipt of the real estate tax increment generated by the Property from Warren County.
8. The Parties acknowledge that the approval of Developer's TIF Costs, and, therefore, qualification for reimbursement hereunder, are subject to changes or interpretation made by amendments to the Act, administrative rules or legally binding judicial interpretation during the term of this Agreement. The City has no obligation to the Developer to attempt to modify those decisions but will assist the Developer in every respect as to obtaining approval of the Developer's TIF Costs.
9. The Developer may submit for prior approval by the City as Developer's TIF Costs under the Act estimates of costs before they are incurred subject to later confirmation by actual bills.

F. VERIFICATION OF TAX INCREMENT.

1. It shall be the sole responsibility of the Developer or its designee to provide to the City, as requested in writing, copies of all PAID real estate tax bills, annually, for the Property.
2. The failure of Developer to provide such copies of PAID real estate tax bills and any material information required herein after written notice from the City, and the continued failure to provide such information within (30) days after such notice, shall be considered a breach of this Agreement and shall be cause for the City to deny payments hereunder to

the Developer until such information is received, which payments are conditional upon receipt of the foregoing information.

**G. REIMBURSEMENT OF THE DEVELOPER'S SHARE
OF TAX OBJECTION REFUNDS.**

1. If a refund of tax increment (including any accrued statutory interest thereon) is potentially due from the City's TIF Fund as the result of any tax objection, assessment challenge, filing for a property tax exemption under Section 200/15-86 of the Illinois Property Tax Code or appeal to the Illinois Property Tax Appeal Board (PTAB), issuance of a certificate of error or other such action, including any appeals therefrom, concerning the potential reduction of assessed value of the Property, the City may at its sole discretion withhold the Developer's share of any such possible refund (including any accrued statutory interest thereon) from future reimbursements calculated to be paid to the Developer under this Agreement. Furthermore, the Developer is hereby obligated to provide written notice to the City within five (5) business days of its filing any such objection, assessment challenge or formal appeal to the PTAB or other such action, including any appeals therefrom, that could potentially reduce the assessed value of the Property. Failure to provide such notice shall be considered a breach of this Agreement and shall be cause for the City to deny payments hereunder to the Developer.
2. Any funds withheld by the City under this *Section G* shall be deposited by it into a separate interest-bearing bank account. Upon final determination of the assessed value of the Property, the City shall pay to the Developer the principal amount due under this Agreement as recalculated. The City shall be entitled to retain any interest earned on the account as partial payment for the administration of the account due to the delay of the determination of the final evaluation and recalculation of the benefits due the Developer under this Agreement.
3. If it appears to the City that it will be unable to recover the Developer's share of any such refund (including any accrued statutory interest thereon) from the remaining future reimbursements due the Developer under this Agreement, the Developer shall reimburse the City for the Developer's remaining unpaid share of such refund within thirty (30) days upon receiving written demand of the same from the City.
4. Notwithstanding anything contained in this Agreement to the contrary, the obligations contained in this *Section G* shall remain in effect for the remaining life of the TIF District, whether the TIF District expires upon the current expiration of the Redevelopment Plan and Projects adopted by the City (tax year 2044 payable 2045) at an earlier time if the City passes an ordinance terminating the TIF District; or at a later time if the TIF District is legislatively extended. Furthermore, the obligations set forth in this *Section G* shall survive the expiration of the TIF District if a tax objection or other such action taken by the Developer is pending prior to the expiration of the TIF District and shall continue until final disposition of such action.

H. LIMITED OBLIGATION.

The City's obligation hereunder to pay the Developer for the Developer's TIF Costs is a limited obligation to be paid solely from the Special Account. Said obligation does not now and shall never constitute an indebtedness of the City within the meaning of any State of Illinois constitutional or statutory provision and shall not constitute or give rise to a pecuniary liability of the City or a charge or lien against any City fund or require the City to utilize its taxing authority to fulfill the terms of this Agreement.

I. CITY PUBLIC PROJECTS.

The City intends to use part or all of its share of the Project's real estate increment for other public projects within the TIF District or within contiguous TIF Districts as allowed by law. The City shall be eligible for reimbursement of the cost of doing so, as well as other eligible costs incurred by the City in the TIF District.

J. LIMITED LIABILITY OF CITY TO OTHERS FOR DEVELOPER'S EXPENSES.

There shall be no obligation by the City to make any payments to any person other than the Developer, nor shall the City be obligated to pay any contractor, subcontractor, mechanic or materialman providing services or materials to the Developer for the Project.

K. COOPERATION OF THE PARTIES.

1. The City and the Developer shall reasonably cooperate with each other when requested to do so concerning the development of the Project. This includes without limitation the City assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, subsidy or additional funding which may be available from other governmental sources as the result of the Developer's or City's activities. This also includes without limitation the Developer assisting or sponsoring the City, or agreeing to jointly apply with the City, for any grant, award, or subsidy which may be available as the result of the City's or the Developer's activities.
2. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions, and certifications (and, in the City's case, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions, and intent of this Agreement and to reasonably aid and assist each other in carrying out said terms, provisions, and intent.
3. The Parties shall reasonably cooperate with each other in seeking from any or all appropriate governmental bodies all approvals (whether federal, state, county or local) required or useful for the construction or improvement of property and facilities in and on the Property or for the provision of services to the Property, including, without limitation, wetland mitigation, gas, telephone, and electric utility services, roads, highways, rights-of-way, water and sanitary sewage facilities, and storm water disposal facilities.

L. DEFAULT; CURE; REMEDIES.

1. In the event of a default under this Agreement by any party hereto (the “Defaulting Party”), which default is not cured within the cure period provided for below, then the other Party (the “Non-defaulting Party”), may have an action for damages, or, in the event damages would not fairly compensate the Non-defaulting Parties for the Defaulting Party’s breach of this Redevelopment Agreement, the Non-defaulting Party shall have such other equity rights and remedies as are available to them at law or in equity. Any damages payable by the City hereunder shall be limited to the real estate tax increment payable to the Developer under the terms of this Agreement.
2. In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this Redevelopment Agreement, it shall not be deemed to be in default under this Redevelopment Agreement unless it shall have failed to perform such monetary covenant within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying that it has failed to perform such monetary covenant. In the event a Defaulting Party fails to perform any nonmonetary covenant as and when it is required to under this Redevelopment Agreement, it shall not be deemed to be in default if it shall have cured such default within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying the nature of the default, provided, however, with respect to those nonmonetary defaults which are not capable of being cured within such thirty (30) day period, it shall not be deemed to be in default if it commences curing within such thirty (30) day period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

M. TIME; FORCE MAJEURE.

For this Agreement, time is of the essence. However, the Developer and the City shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if the Developer or City fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by the City (or the City’s agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or the City.

N. ASSIGNMENT.

The rights (including, but not limited to, the right to payments contemplated by *Section C* of this Agreement) and obligations (or either of them) of the Developer under this Agreement shall be fully assignable by the Developer provided written notice is provided to the City and the City’s consent is obtained prior to such assignment. The City’s consent shall not be unreasonably withheld provided that the nature of the Project is not substantially changed, and further provided that the assignee is financially capable of fulfilling the obligations of the assignor. Any such assignment shall be subject to all the terms and conditions contained in this Agreement. Further, no such assignment shall be deemed to

release the assignor of its obligations to the City under this Agreement unless the consent of the City to the release of the assignor's obligations is first obtained.

O. PREPAYMENTS.

Should the annual incremental tax revenue generated by the Project be sufficient to pay all cost eligible expenses prior to the expiration of the term of the Agreement, the City may, in its sole discretion, elect to pay all then remaining payments in a single lump-sum payment.

P. WAIVER.

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right of remedy does so in writing. No such waiver shall obligate such party to waive any right of remedy hereunder or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

Q. SEVERABILITY.

If any section, subsection, term or provision 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 same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

(The remainder of this page is intentionally blank.)

R. 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 CITY:

City of Monmouth
% City Clerk
100 E. Broadway Street
Monmouth, IL 61462

With Copy to:

Jacob & Klein, Ltd.
The Economic Development Group, Ltd.
1701 Clearwater Avenue
Bloomington, IL 61704
Telephone: (309) 664-7777
Fax: (309) 664-7878

TO DEVELOPER:

Monmouth Townhomes, LP
% James N. Bergman
2205 Kimberly Road
Bettendorf, IA 52722

With Copy to:

Robert T. LeSage III
Ward, Murray, Pace & Johnson, P.C.
226 W. River Street
PO Box 404
Dixon, IL 61021

S. SUCCESSORS IN INTEREST.

Subject to the provisions of *Section N*, above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

T. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED.

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

U. INDEMNIFICATION OF CITY.

All fixed works constructed or demolished by any public body, or paid for wholly or in part out of public funds is subject to the Prevailing Wage Act (the "PWA Act" 820 ILCS 130/0.01 *et. seq.*). However, it is the understanding of the Parties that the position of the Illinois Department of Labor is that "[f]unds received from Tax Increment Financing do not qualify as "public funds." A private project that is funding by means of TIF financing . . . is not covered by the Prevailing Wage Act unless it also receives funding from another source which does qualify as public funds." This position of the Department of Labor is stated as an answer to a FAQ on its website at: <http://www.illinois.gov/idol/FAQs/Pages/prevailing-wage-faq.aspx>.

The Developer may utilize Federal HOME funds as a financing source for the Project, which source constitutes public funds. In such event, the Developer herein represents to the City that the Project is subject in all respects to the requirements of the Federal Davis-Bacon Act with respect to the determination and payment of prevailing wages. Pursuant to Sec. 11, the PWA Act is not applicable to any project which is subject to the Federal Davis Bacon Act. The Developer shall indemnify and hold harmless the City, and all City elected or appointed officials, officers, employees, agents, representatives, engineers, consultants and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Federal Davis-Bacon Act, the PWA Act, the Illinois Procurement Code, and/or any similar State or Federal law or regulation. In addition, the Developer agrees to indemnify and hold harmless the City for any claim asserted against the City arising from the Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to the Developer hereunder. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of City, including but not limited to the reasonable attorney fees of City. Notwithstanding anything to contrary set forth herein, the Developer shall be entitled to select defense counsel of its choosing in connection with the defense of any such claim and/or action. In the event the Developer does not utilize Federal HOME funds or any other source which qualifies as public funds to finance the Project, the Developer shall not be subject to the requirements of the Federal Davis-Bacon Act or the PWA Act by the provisions of this Agreement; however, the Developer's indemnification obligations set forth in this paragraph shall remain in full force and effect.

V. ENTIRE AGREEMENT.

The terms and conditions set forth in this Agreement and exhibits attached hereto supersede all prior oral and written understandings and constitute the entire agreement between the City and the Developer with respect to the subject matter hereof, provided that the foregoing shall not apply to the Annexation Agreement (as defined above) between the Parties.

W. TITLES OF PARAGRAPHS.

Titles of the several parts, paragraphs, sections or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provisions hereof.

X. TERM OF THE AGREEMENT.

Notwithstanding anything contained herein to the contrary, this Agreement shall expire upon the first to occur of the Developer receiving all incentives included herein or December 31, 2045, or such later date as shall be applicable under the Act in the event the life of the TIF District is legislatively extended. The Agreement shall expire earlier if the Developer petitions for voluntary bankruptcy and such petition is not dismissed within sixty (60) days of filing, the Property becomes the subject of foreclosure proceedings, or upon any other default by the Developer of this Agreement that is not cured within the applicable time periods.

Y. WARRANTY OF SIGNATORIES.

EACH PARTY ACKNOWLEDGES THAT, IN EXECUTING THIS AGREEMENT, SUCH PARTY HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL AND HAS READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT SHALL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION HEREOF AND THE SIGNATORIES OF THE PARTIES HEREBY WARRANT FULL AUTHORITY TO BOTH EXECUTE THIS AGREEMENT AND TO BIND THE ENTITY IN WHICH THEY ARE SIGNING ON BEHALF OF.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Monmouth, Illinois.

CITY

CITY OF MONMOUTH, an Illinois Home Rule Municipal Corporation

BY: _____
Mayor, City of Monmouth

ATTEST: _____
Clerk, City of Monmouth

DEVELOPER

MONMOUTH TOWNHOMES, LP, an Illinois Limited Partnership.

By its General Partner Monmouth Townhomes GP, LLC, an Illinois Limited Liability Company

By Iceberg Development Group, LLC, an Illinois Limited Liability Company, sole member of the General Partner

By _____
James N. Bergman, Sole Member

EXHIBIT 1

Real Estate Contract and Site Plan

AGREEMENT

This Agreement made this ____ day of March, 2021, is between the CITY OF MONMOUTH, an Illinois Home Rule Municipal Corporation, and **Monmouth Townhomes, LP, an Illinois Limited Partnership**, hereinafter referred to as Buyer, the terms of said Agreement are as follows:

1. If said Buyer shall first make the payment and perform the covenants hereinafter mentioned on Buyer part to be made and performed, said Sellers hereby covenant and agree to convey and assure to said Buyer, by good and sufficient limited Municipal Warranty Deed, merchantable, fee simple title to the following-described real estate, to-wit:

TRACT I

Lots One (1) through Fifteen (15) inclusive all in Block Two (2) of Oak Park Subdivision, the same being a part of the Southwest Quarter (¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Fourth Principal Meridian, also being a part of the Subdivision of the South Half of the North Half of Lot Four (4) of the Southwest Quarter (¼) of Section Twenty (20), Township Eleven (11) North, Range Two (2) West of the Fourth Principal Meridian, platted on the 27th day of April, 1893 and recorded in Volume 85 of Deeds at Page 350 in the Office of the Recorder of Deeds in Warren County, Illinois, situated in the County of Warren and State of Illinois,

AND ALSO

Lots One (1) through Sixteen (16), both inclusive, in Block One (1) of the Subdivision of the South Half of the North Half of Lot Four (4) of the Subdivision of the Southwest Quarter of Section Twenty (20) in Township Eleven (11) North, Range Two (2) West of the 4th Principal Meridian, and known as "Oak Park", the plat of which if found in Warren County Deed Record, Volume 85, on page 350.

That portion of East Jackson Avenue/ vacated lying Lots between Lots One (1) through Fifteen (15) in Block One (1) in Oak Park Subdivision, in the City of Monmouth, Warren County, Illinois and Lots One (1) through Fifteen (15) in Block Two (2) in Oak Park Subdivision, in the City of Monmouth, Warren County, Illinois.

PINS: 09-044-128-00; 09-044-184-00; 09-044-128-05

which property is generally located at 200 Block of East Jackson Ave., Monmouth, Illinois

T

2. Buyer hereby agrees to pay to the said Sellers at City Hall, 100 East Broadway, Monmouth, Illinois, or at such other place as may be designated in writing to the Buyer by the Sellers, the principal sum of One and No/100ths Dollars (\$1.00) to be paid by certified check, on or before June 30, 2021 (the "Closing Date"), upon receipt of a limited Municipal Warranty Deed for said premises. The Buyer hereby covenant and agree to pay the Sellers Zero and No/100ths (\$0.00) Dollars upon the signing of this agreement as earnest money and the balance of One (\$1.00) Dollars at the time of closing. No interest will be owed on said payments if paid as stated herein.

3. Seller agree to provide and pay for an owner's title insurance policy insuring Buyer as owner of the real estate described herein issued by a reputable title insurance company in the amount of the purchase price, with only the usual and customary standard exceptions. The Buyer shall be responsible for the cost of a Mortgagee Policy, if any.

4. Possession of said premises and delivery of the limited Municipal Warranty Deed shall be given to Buyer upon receipt of the balance of purchase price at the scheduled closing.

5. Buyer acknowledges that it has examined said premises and accepts the same in its present conditions. The Buyer has been granted an extended due diligence period and warrants that it has performed all due diligence it deems warranted.

6. Sellers agree to deliver possession of said premises to the Buyer in the same condition as premises now are, loss by ordinary wear and tear and forces of nature excepted.

7. No transfer stamps will be owed on this transaction since the Seller is an exempt entity for the purpose of paying transfer stamps.

8. There shall be no real estate tax proration since the premises are currently exempt from the payment of real estate taxes.

9. It is further and mutually agreed by and between the parties hereto that the time of payment or the performance of any covenant under this Agreement shall be of the essence of this Agreement and that all covenants and agreements herein contained shall

extend to and be obligatory upon the heirs, beneficiaries, personal representatives and assigns of each of the respective parties hereto.

10. This agreement is subject to approval of the Monmouth City Council. .

11. This agreement is subject to the following

A. The Buyer commencing the construction of a housing development on the above described real estate by September 10, 2021. Failure of the Buyer to commence said construction within said time frame shall cause the real estate to revert back to the Seller with the purchase price returned to the Buyer without interest. This provision shall survive closing.

B. The Buyer shall pay the City of Monmouth, the permit fees of \$165,000.00 at closing pursuant to the terms and conditions incorporated into the Option signed by the parties on March 3, 2020.

C. The Buyer reimbursing the Seller for the costs of the consultant used to create the Tax Increment Finance (TIF) District in the amount of \$18,000.00, on or before closing.

D. Illinois Housing Development Authority (“IHDA”) Required Provisions.

i. Environmental Review: Notwithstanding any other provision of this Agreement, Buyer shall have no obligation to purchase the Property, and no transfer of title to the Buyer may occur, unless and until IHDA has provided Buyer with a written notification that:

a) It has completed a federally required environmental review and its request for release of federal funds has been approved and, subject to any other contingencies in this Agreement,

1) The purchase may proceed, or

2) The purchase may proceed only if certain conditions to address issues in the environmental review shall be satisfied before or after the purchase of the property.

b) It has determined that the purchase is exempt from federal environmental review and a request for release of funds is not required. IHDA shall use its best efforts to conclude the environmental review of the property expeditiously.

ii. Voluntary Acquisition: Buyer is interested in acquiring property for a proposed project which may receive funding assistance from the U.S. Department of Housing and Urban Development (“HUD”). The Buyer does not have authority to acquire the property by eminent domain. Absent the execution of this Agreement, the Buyer will not pursue the acquisition of the property. Buyer believes this amount represents or is below the current market value of property. In accordance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act (“URA”), owner-occupants who move as a result of a voluntary acquisition are not eligible for relocation assistance. Tenant-occupants displaced as a result of a voluntary acquisition may be entitled to URA relocation assistance and must be so informed per 49 CFR 24.2(a)(15)(iv)-Initiations of Negotiations, and 49 CFR 24 Appendix A – 24.2(a)(15)(iv).

IN WITNESS WHEREOF the parties have signed this Agreement on March _____, 2021, in duplicate each of which duplicate shall be deemed an original.

SELLER

CITY OF MONMOUTH, an Illinois Home Rule Municipal Corporation.

BY: _____
Mayor, City of Monmouth

ATTEST: _____
Clerk, City of Monmouth

BUYER

MONMOUTH TOWNHOMES, LP, an Illinois Limited Partnership.

By its General Partner Monmouth Townhomes GP, LLC, an Illinois Limited Liability Company

By Iceberg Development Group, LLC, an Illinois Limited Liability Company, sole member of the General Partner

By _____
James N. Bergman, Sole Member

STATE OF ILLINOIS)
)
COUNTY OF WARREN) SS.

I, the undersigned, a Notary Public, do hereby certify, MONMOUTH TOWNHOMES, LP, by _____ its General Partner, personally known to me to be the same person whose name is signed to this Agreement, appeared before me this day in person, and acknowledged that he signed this Agreement as his voluntary act for the purposes set forth in this agreement and with full power of the Limited Partners.

GIVEN under my hand and Notarial seal this _____ day of March, 2021.

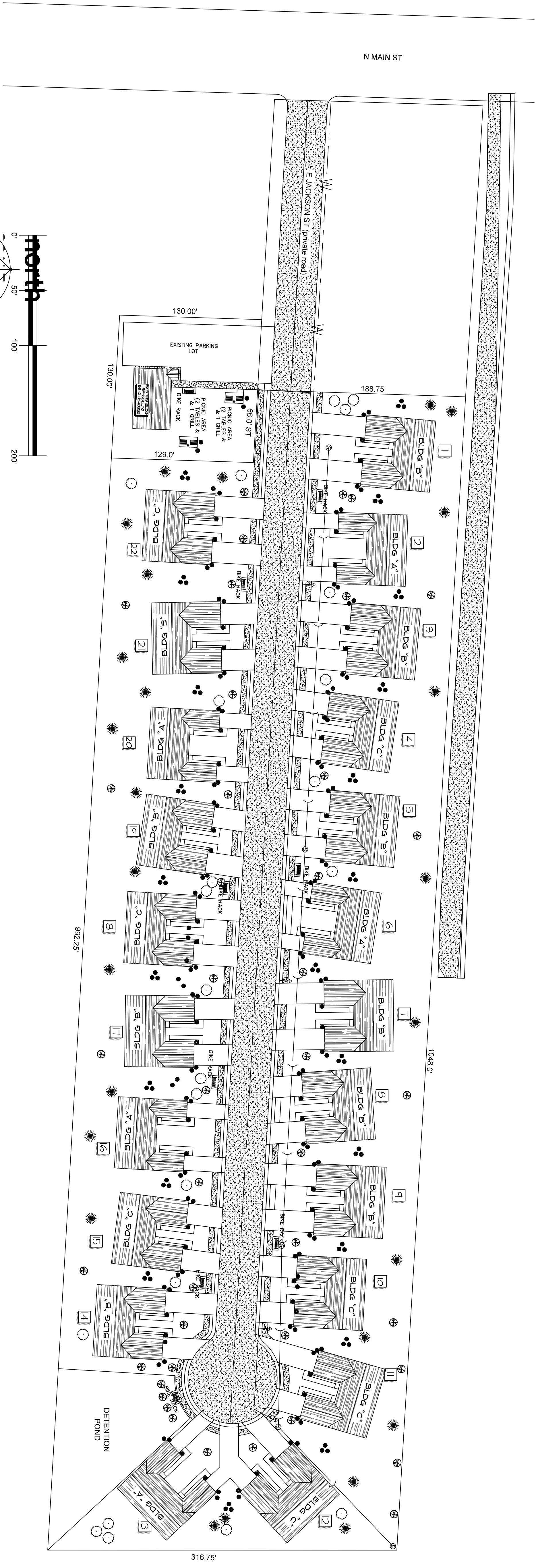
Notary Public

STATE OF ILLINOIS)
)
COUNTY OF WARREN) SS.

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that RODNEY DAVIES, personally known to me to be the Mayor of the City of Monmouth, a Municipal Corporation, and SUSAN S. TREVOR, personally known to me to be the City Clerk of the City of Monmouth, a Municipal Corporation; and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that they signed and delivered the said instrument as Mayor and City Clerk of said City, and caused the Corporate Seal of said Corporation to be affixed thereto, pursuant to authority given by the City Council of said Municipality, as their free and voluntary act and as the free and voluntary act and deed of said Municipality, for the uses and purposes therein set forth.

GIVEN under my hand and Notarial Seal this _____ day of March, 2021.

Notary Public



ARCHITECTURAL SITE PLAN

DEVELOPMENT NOTES:

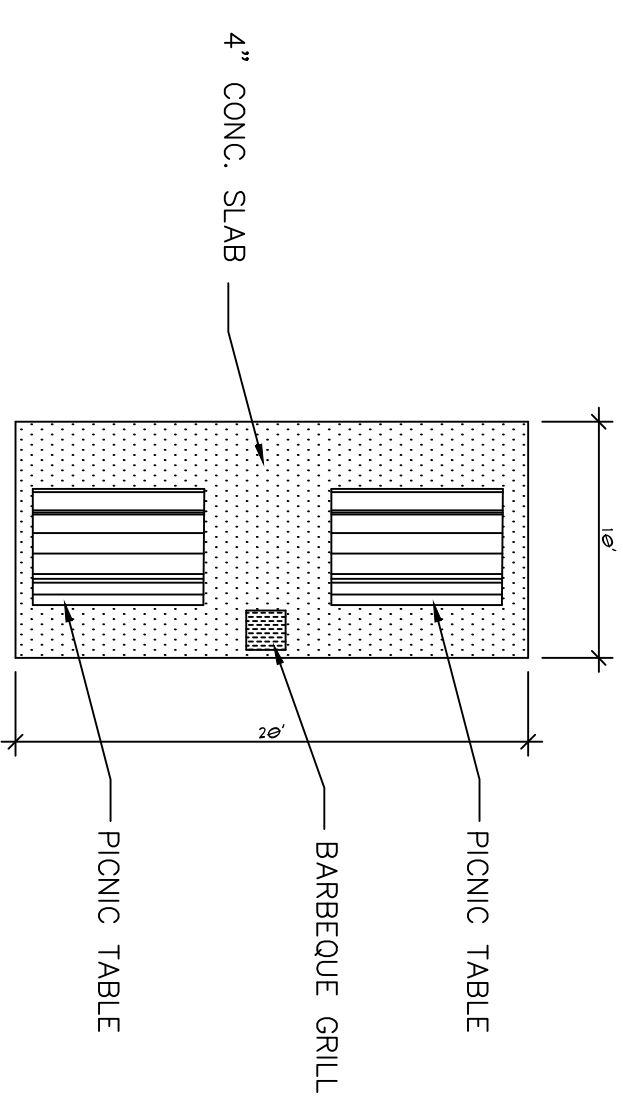
- SITE: 8.06 ACRES
- BUILDINGS:
- (5) BUILDING "A" (2 BEDROOM / 1 STORY)
 - (2) BUILDING "B" (3 BEDROOM / 1 STORY)
 - (8) BUILDING "C" (3 BEDROOM / 2 STORY)
 - (1) BUILDING "D" (4 BEDROOM / 1 STORY)
- APARTMENTS:
- (10) TWO BEDROOM APARTMENTS (2 ACCESSIBLE)
 - (20) THREE BEDROOM APARTMENTS (2 ACCESSIBLE)
 - (14) 4 BEDROOM APARTMENTS (1 ACCESSIBLE)
- OFF STREET PARKING - 1 GARAGE & 1 DRIVE SPACE PER APARTMENT.

BUILDING / APARTMENT MIX:

- BUILDING #1: TYPE "B" (2) 3 BR APARTMENTS
- BUILDING #2: TYPE "A" (2) 2 BR APARTMENTS - (1) ADA UNIT
- BUILDING #3: TYPE "B" (2) 3 BR APARTMENTS
- BUILDING #4: TYPE "C" (2) 4 BR APARTMENTS
- BUILDING #5: TYPE "B" (2) 3 BR APARTMENTS
- BUILDING #6: TYPE "A" (2) 2 BR APARTMENTS - (1) ADA
- BUILDING #7: TYPE "B" (2) 3 BR APARTMENTS - (1) SENSORY UNIT
- BUILDING #8: TYPE "B" (2) 3 BR APARTMENTS
- BUILDING #9: TYPE "B" (2) 3 BR APARTMENTS
- BUILDING #10: TYPE "C" (2) 4 BR APARTMENTS - (1) ADA UNIT
- BUILDING #11: TYPE "C" (2) 4 BR APARTMENTS
- BUILDING #12: TYPE "C" (2) 4 BR APARTMENTS
- BUILDING #13: TYPE "A" (2) 2 BR APARTMENTS - (1) ADA
- BUILDING #14: TYPE "B" (2) 3 BR APARTMENTS
- BUILDING #15: TYPE "C" (2) 4 BR APARTMENTS
- BUILDING #16: TYPE "A" (2) 2 BR APARTMENTS
- BUILDING #17: TYPE "B" (2) 3 BR APARTMENTS
- BUILDING #18: TYPE "C" (2) 4 BR APARTMENTS
- BUILDING #19: TYPE "B" (2) 3 BR APARTMENTS
- BUILDING #20: TYPE "A" (2) 2 BR APARTMENTS
- BUILDING #21: TYPE "B" (2) 3 BR APARTMENTS - (1) ADA UNIT
- BUILDING #22: TYPE "C" (2) 4 BR APARTMENTS

LANDSCAPE SCHEDULE

KEY	NAME	SIZE (AT TIME OF PLANTING)	COMMENT
	PACIFIC GINKGO TABLE	2 1/2" DIA. - 5' TALL +/-	B & B
	COLORADO BLUE SPRUCE	2 1/2" DIA. - 5' TALL +/-	B & B
	BOXWOOD GREEN MOUNTAIN	24"	POTTED



PICNIC AREA DETAIL
(2 TABLES & 1 GRILL AT EACH AREA)

5 MONMOUTH TOWNHOMES
5 MONMOUTH, ILLINOIS

STOCK DESIGN ARCHITECTURE
 307 N. 36TH STREET SUITE 111
 QUINCY, IL 62301
 PHONE: 217-223-1795 FAX: 217-223-2357
 EMAIL: ARCHITECTS@STOCKDESIGNARCHITECTURE.COM

REVISIONS

SHEET DESCRIPTION
SITE PLAN

JOB NO.: 000
DATE: 30 JAN 20
DRAWN BY: MS

AS1

EXHIBIT 2

**Term Sheet Defining Roles & Responsibilities of a Development Agreement
between City of Monmouth, Illinois and Jim Bergman, Developer**

**TERM SHEET DEFINING ROLES & RESPONSIBILITIES
OF A DEVELOPMENT AGREEMENT BETWEEN CITY OF MONMOUTH, ILLINOIS
AND JIM BERGMAN, DEVELOPER
FEBRUARY 2020**

1. The City and Developer (Jim Bergman) mutually agree to partner together to develop the City-owned 7 acre Jackson Street Parcel for development of forty-four (44) affordable multi-family housing units.
2. The Developer will finance the surveying, engineering design and construction of watermain, sanitary sewer, surface water drainage, Jackson Street road construction and forty-four (44) multi-family housing units over a period of two (2) years on a 7 acre site currently owned by the City located north of downtown Monmouth off North Main Street with the unimproved East Jackson Street right-of-way extending through said development site. The Developer will undertake the construction of Jackson Avenue as a rural section roadway (no curb or gutter) and approximately 1,040 feet of sanitary sewer to serve the development site. The Developer will connect to the existing 12" water line on North Main Street and extend a new 8" watermain to the west property line of the development site within the Jackson Street right-of-way, then will install the water main from the west property line of the development site to fully serve this development along with saddle taps on said main and extend water service laterals to each housing unit with a valve at the end.
3. The City will establish a new tax increment finance district to generate new revenues from the development of multi-family housing units, to provide the necessary financial incentives to the Developer to fully recover all up-front out-of-pocket TIF-eligible expenses, such as the cost of establishing the TIF District, surveying, engineering design, construction of public infrastructure improvements, up to 50% of construction costs of new housing units occupied by low-income and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act, and up to 75% of financing costs (interest paid on development loan) for qualified low-income housing units. The developer may begin to incur these TIF eligible costs upon passage of the Inducement Resolution by the City Council.
4. The City will donate its currently unimproved 7 acre property, to the Developer, to construct infrastructure improvements and affordable multi-family housing units, by transferring ownership of three separate tax parcels at a cost of only one (\$1.00) dollar.
5. The Developer will pay the City \$18,000 toward the cost of a professional consultant to assist the City in establishing this new TIF District, with the Developer being rebated 100% of this expense from the incremental tax revenues.
6. The City will rebate the Developer 95% of all incremental property tax revenues generated from this development, to cover all qualified TIF eligible costs incurred by the Developer, including those identified in paragraph 3 above, up to the maximum of costs documented by invoices and paid receipts provided by the Developer to the City.

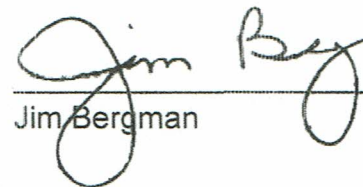
7. The City will accept and dedicate all public infrastructure constructed by the Developer, including water mains, sanitary sewer lines, surface water drainage features, streets and sidewalks, constructed at the Developer expense, thus becoming public infrastructure and eligible for TIF reimbursement to the Developer.
8. The City will provide the Developer with the benefit of the Enterprise Zone for the purchase of building materials for the construction of this affordable multi-family housing development and related public infrastructure improvements. The Developer agrees to pay a lump sum fee of \$165,000 to the City for the entire municipal development review process, including any and all plat approvals, site plan or planned unit development approvals, rezoning if necessary, Plan Commission approvals, Board of Zoning Appeals variance approvals, issuance of zoning permits, building permits and/or certificates of occupancy, and all periodic inspections by the City's inspector, as needed.
9. The Developer agrees to disclose information on any individuals, corporations or other entities who are party to the Developer's legal ownership in this project and corresponding development agreement.

Entered into this 3rd day of March, 2020.

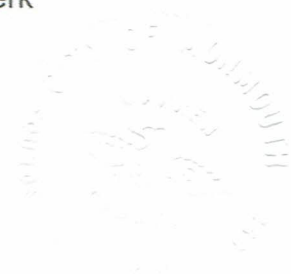
FOR THE CITY

FOR THE DEVELOPER


Rod Davies, Mayor


Jim Bergman


Susan Trevor, City Clerk





**CITY OF MONMOUTH
COUNCIL MEETING MINUTES**



Date: Monday, March 2, 2020

Time: 6:00 p.m.

Location: 100 East Broadway
Monmouth, Illinois

I. CALL TO ORDER & PLEDGE OF ALLEGIANCE

Mayor Rod Davies called the meeting to order in the Council Chambers at City Hall, 100 East Broadway at 6:00 p.m. and led the audience in the Pledge of Allegiance to the Flag.

II. ROLL CALL

City Clerk Susan S. Trevor called the roll and those answering **Present were:** Aldermen Justin Thomas, Tony Cook, Alderwoman Susan Twomey, Brian Daw, Robert Wells, Juan Pinedo, Dan Heatherly and Alderwoman Mary Kelly **Also Present:** Mayor Rod Davies, City Administrator Lew Steinbrecher, City Clerk Susan S. Trevor, City Attorney Marcum Spears, MFD Chief Casey Rexroat, MPD Chief Joe Switzer, Community Engagement - IT Director Ken Helms and Building and Zoning Director Joe Clark. **Absent:** Woodard and Curran Public Works Director Andy Jackson

III. APPROVAL OF MINUTES

A. Approval of February 18, 2020 Council Meeting Minutes

It was moved by Alderman Cook and seconded by Alderwoman Kelly to approve the February 18, 2020 Minutes as presented. **AYE:** Aldermen Thomas, Cook, Daw, Wells, Pinedo, Heatherly and Alderwoman Kelly **NAY:** none **PASS:** Alderwoman Twomey **MOTION CARRIED.**

IV. PRESENTATION TO THE COUNCIL

A. Presentations or Citizen Inquiries (all inquiries are limited to 3 minutes per City Ordinance)

There were none to be heard

B. Consent Agenda

1. Approval of Bills

It was moved by Alderman Heatherly and seconded by Alderman Wells to approve the payment of the bills as presented. **AYE:** Aldermen Cook, Alderwoman Twomey, Aldermen Daw, Wells, Heatherly, Pinedo, Alderwoman Kelly and Alderman Thomas **NAY:** none **MOTION CARRIED.**

V. COMMITTEE OF THE WHOLE

A. Building and Zoning February Report – Director Clark

- ✓ The department is continuing to address ordinance violations and issuing permits.
- ✓ Y.M.C.A. bathhouse painting and electrical work is done along with most of the doors and windows having been installed.
- ✓ Midwest Pet Food's new cold storage processing station and mixing facility has been completed.
- ✓ Arby's new location at 1125 North Main Street has completed exterior sheeting along with plumbing and electrical rough ins. Roof insulation and membrane have been installed as well.
- ✓ Patton Block Grill and Brewpub has completed electrical rough in, plumbing and dry wall.
- ✓ Strom Center parapet wall repair and tuck-pointing will start March 9th and roof replacement will start April 1st.

B. Monmouth College's Annual Request for Commencement

Andrew Davis, Director of Campus Safety, requested on behalf of M.C. to have the City close E. Broadway from 6th Street to 9th Street from 11:30 A.M. to 2:30 P.M. on Sunday, May 17, 2020. He stated that the College has its own road barriers and would be responsible for placing them on the roadway. This is the same request as last year except for the change in date. **It was moved by Alderman Daw and seconded by Alderwoman Twomey to approve the above-stated request by Monmouth College. AYE:** Alderwoman Twomey, Aldermen Daw, Wells, Pinedo, Heatherly, Alderwoman Kelly, Aldermen Thomas and Cook **NAY:** none **MOTION CARRIED.**

C. M-R Request for Placement of Banners on Poles

Ed Fletcher, Superintendent of M-R School District 238, explained to the Council that the District is in the process of developing a 5-year strategic plan and as part of this plan they wanted to improve school spirit. One of the ways they were looking to help with developing school spirit was the placement of banners on some of the light poles in the downtown area. He said that the District was hoping to be able to leave them up for at least a year. The Mayor said that the City has developed requirements for the short-term banners that are placed on the square, but is working on developing requirements for the banners on the poles. One of the factors that the City has to consider is the Downtown Revitalization project which might impact the placement of any banners on existing poles. The Administration will provide the Council with a proposal for banners on the pole requirements to be adopted. After adoption of these requirements, the Administration will be in contact with the School District.

D. Approval of Term Sheet with Developer for Affordable Housing Project along with an Option to Purchase for Housing Development

Administrator Steinbrecher explained to the Council that the Term Sheet and the Option to Purchase are with Jim Bergman a developer and builder of affordable housing units in the State of Illinois. The development site is a City owned 7- acre parcel along the Jackson Avenue right-of-way off North Main Street and provides for 22 duplexes totaling 44 housing units.

The Term Sheet provides for the City to donate the 7 – acre property to the Developer for \$1, which allows him more points in securing grants for this project. Also, the City will establish a new TIF District for which the Developer will pay the City \$18,000 toward the cost of a professional consultant to assist the City in establishing this new TIF District. The Developer will pay 100% of the cost of installing all necessary public infrastructure to open this land for development. The road into the development will be asphalt with no curb or gutter. In addition, the Developer will pay a lump sum fee of \$165,000 to the City for the entire Municipal development review process.

The Option to Purchase secures the land in order for the developer to complete his due diligence process to approve his financing. The duration of the option period ends on December 31, 2020.

The Administration is requesting the Council's approval of both the Term Sheet and the Option to Purchase with the developer, Jim Bergman. **It was moved by Alderman Wells and seconded by Alderman Pinedo to approve the Term Sheet and Option to Purchase Agreement with Jim Bergman, the Developer of the Affordable Housing Project on the City owned 7- acre property off North Main Street. AYE:** Aldermen Daw, Wells, Pinedo, Heatherly, Alderwoman Kelly, Aldermen Thomas, Cook and Alderwoman Twomey **NAY:** none **MOTION CARRIED.**

F. Monmouth Downtown Overlay District Discussion

Mayor Davies explained that a number of communities have created a Downtown Overlay District to preserve their downtown areas. Administrator Steinbrecher added that the boundaries of the Downtown Overlay District extend from the centerline of Archer Avenue on the North; the centerline of 1st Street on the east; the centerline of 2nd Avenue on the South; and the centerline of A Street on the West. The District also imposes 11 additional prohibited retail uses among which are pawn shops, tattoo and piercing parlors and dispensaries of adult-use cannabis and CBD along with the eight other listed prohibited uses in the ordinance. The administration will place Ordinance 20-008, which amends Chapter 154, entitled "Zoning" to include a new section 154.20 to be entitled "Downtown Overlay District" on the March 16th Council Meeting Agenda.

VI. EXECUTIVE SESSION

A. Per Illinois Statute 5ILCS 210/2 to consider employment compensation.

1. It was moved by Alderman Daw and seconded by Alderwoman Twomey to go into Executive Session at 6:30 p.m. to consider employment compensation. AYE: Aldermen Wells, Pinedo, Heatherly, Alderwoman Kelly, Aldermen Thomas and Cook, Alderwoman Twomey and Alderman Daw. **NAY: none MOTION CARRIED.**

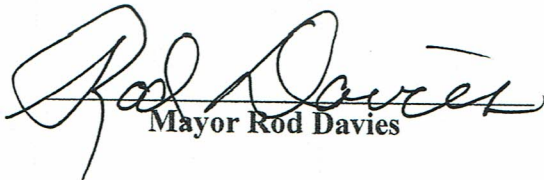
2. It was moved by Alderman Cook and seconded by Alderwoman Twomey to return to Regular Session at 6:40 p.m. AYE: Aldermen Pinedo, Heatherly, Alderwoman Kelly, Aldermen Thomas, Cook, Alderwoman Twomey, Aldermen Daw and Wells **NAY: none MOTION CARRIED.**

VII. OTHER BUSINESS

There was none to consider

VIII. ADJOURNMENT

It was moved by Alderman Heatherly and seconded by Alderman Daw to adjourn the March 2, 2020 meeting at 6:40 p.m. MOTION CARRIED by unanimous voice vote.


Mayor Rod Davies

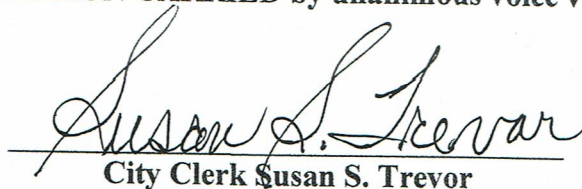

City Clerk Susan S. Trevor

EXHIBIT 3

SUMMARY OF ESTIMATED TIF ELIGIBLE PROJECT COSTS

Monmouth Townhomes, LP Redevelopment Project
Monmouth Main Street TIF District in the City of Monmouth, Warren County, Illinois

Location: 200 Block of East Jackson St., Monmouth, IL

PIN: 09-044-128-00; 09-044-184-00; 09-044-128-05;
and 09-044-204-00 (117 East Jackson St.)

Project Description: Construction of a residential subdivision for 44 duplex-unit townhouses.

Developer’s Estimated TIF Eligible Project Costs:

Site preparation, clearing, and grading.....	\$108,663
Professional planning, site plan, plat & zoning approval, engineering, project inspections, architectural and legal expenses.....	\$180,000
Professional planning, engineering, and legal expenses (TIF District establishment).....	\$18,000
Public infrastructure improvements and utility extensions.....	\$748,350
Affordable Housing Construction (not to exceed 50% of actual construction costs)	<u>\$4,188,987</u>
TOTAL ESTIMATED TIF ELIGIBLE PROJECT COSTS¹	\$5,244,000

¹ **NOTE:** The total, cumulative reimbursement of new real estate tax increment generated by the Developer’s Project for TIF Eligible Project Costs payable by the City to the Developer shall not exceed \$5,244,000.00, as set forth in this Redevelopment Agreement. The line items set forth in this *Exhibit 3* are not intended to place a total limit on the described expenditures or intended to preclude payment of other TIF eligible redevelopment project costs in connection with the Developer’s Project, provided the total amount of payment for all eligible redevelopment project costs, public and private, shall not exceed the total amount set forth herein. Adjustments may be made to the designated and anticipated line items within the total, either increasing or decreasing verified line item costs for the Redevelopment Project.

EXHIBIT 4
CITY INVOICES TO DEVELOPER



CITY OF MONMOUTH
100 EAST BROADWAY
MONMOUTH, IL 61462

Invoice

Date	Invoice #
12/18/2020	7253

Bill To
Monmouth Townhomes, LP 2205 Kimberly Road Bettendorf, IA 52722

Item	Description	Amount
MISCELLANEOUS	One-time lump-sum development fee for the entire development review process, including re-zoning, plat approval, site-plan review, planned unit development, issuance of zoning/building permits, Board of Zoning Appeals variance approvals and issuance of Certificates of Occupancy.	165,000.00
Balance Due		\$165,000.00

Phone #	Fax #
(309) 734-2141	(309) 734-4943



CITY OF MONMOUTH
100 EAST BROADWAY
MONMOUTH, IL 61462

Invoice

Date	Invoice #
12/18/2020	7252

Bill To
Monmouth Townhomes, LP 2205 Kimberly Road Bettendorf, IA 52722

Item	Description	Amount
MISCELLANEOUS	Reimburse cost to the City of Monmouth to retain the services of a professional consultant to assist in establishing a tax increment finance (TIF) district on development site.	18,000.00
Balance Due		\$18,000.00

Phone #	Fax #
(309) 734-2141	(309) 734-4943

EXHIBIT 5

**PRIVATE PROJECT
REQUEST FOR VERIFICATION OF TIF ELIGIBLE PROJECT COSTS
BY MONMOUTH TOWNHOMES, LP**

Date submitted: _____

Attention: City of Monmouth, IL TIF District Administrator

Re: TIF Redevelopment Agreement dated March 1, 2021 by and between the City of Monmouth and Monmouth Townhomes, LP (the "Developer").

The City of Monmouth is hereby requested to disburse funds from the Special Tax Allocation Fund pursuant to the above referenced Redevelopment Agreement in the following amount(s) to the Developer and for the purpose(s) set forth in this Request for Verification of the Developer's TIF Costs. The terms used herein shall have the same meanings as those terms in the Redevelopment Agreement.

1. Request No. _____
2. Reimbursement payable to: Monmouth Townhomes, LP
3. Amounts requested to be reimbursed (*attach additional pages, if necessary*):

Description of Developer's TIF Cost	Amount
TOTAL:	

4. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Developer for Redevelopment Project Costs for the Project detailed in ***Exhibit 3*** of the Redevelopment Agreement.

5. The undersigned hereby certifies and swears under oath that the following statements are true and correct:
 - a. the amounts included in (3) above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the City Codes; and
 - b. the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for Developer's TIF Costs; and
 - c. the expenditures for which amounts are requested represent proper redevelopment project costs as identified in the "Limitation of Incentives to Developer" described in *Section D* of the Redevelopment Agreement: have not been included in any previous Request for Reimbursement; have been properly recorded on the Developer's books; are set forth with invoices attached for all sums for which reimbursement is requested; and proof of payment of the invoices; and
 - d. the amounts requested are not greater than those necessary to meet obligations due and payable or to reimburse the Developer for its funds actually advanced for redevelopment project costs; and
 - e. the Developer is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.
 - f. Any violation of this oath shall constitute a default of the Redevelopment Agreement and shall be cause for the City to unilaterally terminate the Redevelopment Agreement.

6. Attached hereto is a copy of ***Exhibit 3*** of the Redevelopment Agreement, together with copies of invoices and proof of payment of such invoices, including cancelled checks and/or any lien waivers (to the extent applicable) relating to all items for which reimbursement is being requested.

BY: _____ (Developer)

Title: _____

REVIEWED BY MONMOUTH TIF DISTRICT ADMINISTRATOR

BY: _____

Title: _____ Date: _____

APPROVED BY CITY OF MONMOUTH, ILLINOIS

BY: _____

Title: _____ Date: _____