

RESOLUTION NO. 20-006

CITY OF MONMOUTH, ILLINOIS

PROPOSED  
MAIN STREET TAX INCREMENT FINANCING (TIF) DISTRICT  
REDEVELOPMENT PROJECT

INDUCEMENT RESOLUTION

**WHEREAS**, the City of Monmouth, Warren County, Illinois (the “City”), an Illinois Municipality, 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 by promoting the development of private investment in property thereby increasing the real estate 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 municipality; 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 develop, redevelop, rehabilitate, market and/or upgrade such property by constructing public infrastructure or reimbursing the owners of real property for certain costs with revenue resulting from increases in real estate tax revenues (“Tax Increment”) or from other City sources; and

**WHEREAS**, it appears that the above mentioned redevelopments cannot be developed without the adoption of a new Tax Increment Financing District Redevelopment Plan, Area and Projects to be created for the Project Area and documented pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74-4 *et. seq.* (the “Act”); and

**WHEREAS**, the City is considering proposals for private commercial, light industrial and residential redevelopment projects on properties that the City intends to include within the proposed **Monmouth Main Street Tax Increment Financing (TIF) District Redevelopment Project Area** (the “Project Area”); and

**WHEREAS**, the City is authorized under the Act to 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 its redevelopment plans and projects and to finance redevelopment project costs provided such project costs are eligible under the Act; and

**WHEREAS**, **Mr. B. Scott Haase, 1131 Kimberly Dr., Monmouth, Illinois, 61462-2164 or his assignee (the “Developer”)** is currently proposing a redevelopment project consisting of, but not limited to, the rehabilitation and renovation of a commercial building located at 400 S. Main St., Monmouth, Illinois (PIN 09-205-409-00 and the “Project Site”) for the purpose of operating a family entertainment and recreational facility therein (the “Redevelopment Project” or “Project”), all of which is within the proposed Project Area; and

**WHEREAS**, redevelopment of the property within the Project Area will entail expenditures of substantial time, effort and money and that but for the assistance of tax increment financing, the proposed Project is not deemed to be economically feasible; and

**WHEREAS**, this Resolution is intended to induce the Developer to proceed with assembling the Project Site, commence with the Redevelopment Project and to seek reimbursement from incremental real estate tax revenue received by the City, or from other sources as may be agreed to between the City and the Developer, which are necessary to accomplish the goals of the proposed Monmouth Main Street TIF District Redevelopment Plan, Projects and Area as may be established by the City for this Project; and

**WHEREAS**, the City Council has initiated an examination of the proposed Project Area and believes that expenditures of development costs in furtherance of the potential Redevelopment Plan and Projects should be allowable project costs under the Redevelopment Plan and pursuant to the Act, provided that **this Resolution is not a guarantee of the amount of project costs that will be allowable, if any, but rather is an indication of the intent and sense of the City at this time.**

**NOW, THEREFORE, BE IT RESOLVED** by the Mayor and City Council of the City of Monmouth, Warren County, Illinois, as follows:

1. That the intentions of the City of Monmouth regarding this Project as expressed in the recitals herein are hereby approved; provided however, that neither such intentions, affirmations, authorizations nor such recitals are binding upon the City nor may the same be relied upon to any entity's or person's detriment by such entity or person whether third person or otherwise in the event that the aforementioned agreements or plans are not mutually attainable.
2. That the Corporate Authorities of the City of Monmouth are in favor of the proposed Project.
3. The City shall proceed and use its best good faith efforts to establish the proposed Monmouth Main Street Tax Increment Financing District Redevelopment Plan, Project and Area to include the Developer's Property and Project. The City and the Developer shall also use their best efforts to enter into a Predevelopment Agreement on or before **July 20, 2020**, and provided that such agreement is approved, those future TIF eligible project costs incurred by the Developer from the date of this Resolution may be reimbursed to the Developer from an appropriate Special Tax Allocation fund and shall thereby constitute an incurred obligation of the City of Monmouth pursuant to Sections 5/11-74.4-4 (b) and (j) of the Act.
4. The provisions of this Resolution shall be effective commencing with its adoption as provided by law.

*(The remainder of this page is intentionally blank.)*

**PASSED, APPROVED AND ADOPTED** by the Mayor and City Council of the City of Monmouth, Warren County, Illinois, on the 20<sup>th</sup> day of April, 2020, and deposited and filed in the Office of the City Clerk of said City of Monmouth on that date.

<b>CORPORATE AUTHORITIES</b>	<b>AYES</b>	<b>NAYS</b>	<b>ABSTAIN</b>	<b>ABSENT</b>
Tony Cook				
Justin Thomas				
Brian Daw				
Susan Twomey				
Juan Pinedo				
Bob Wells				
Mary Kelly				
Dan Heatherly				
Rod Davies, Mayor				
<b>TOTALS:</b>				

**APPROVE:**

\_\_\_\_\_, Date \_\_\_\_/ \_\_\_\_ / 2020  
 Rod Davies, Mayor

**ATTEST:**

\_\_\_\_\_, Date \_\_\_\_/ \_\_\_\_ / 2020  
 Susan Trevor, City Clerk

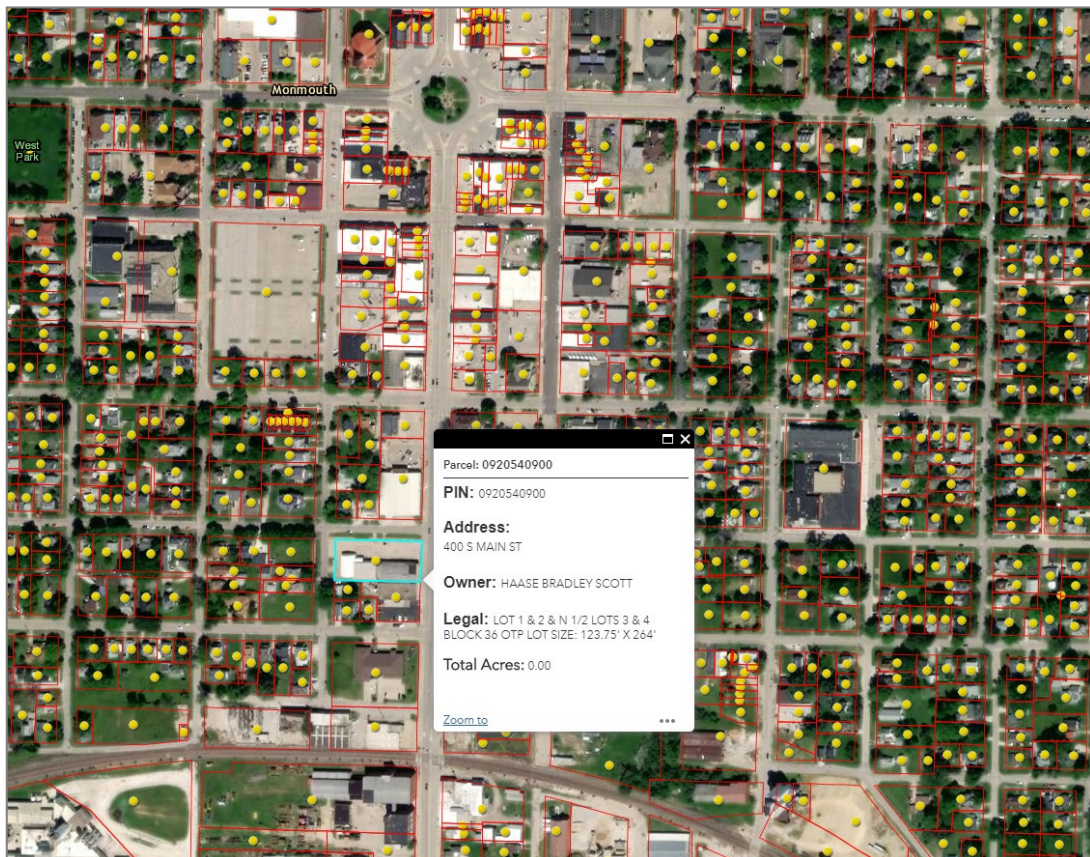
**ATTACHMENTS**

**EXHIBIT 1. Developer Letter and TIF Application Form**

# EXHIBIT 1

## PROJECT SITE AND DEVELOPER TIF APPLICATION FORM

**PIN 09-205-409-00** (former Review Atlas Building with address: 400 S. Main St., Monmouth, IL)





TAX INCREMENT FINANCING (TIF) DISTRICT

APPLICATION FOR TIF BENEFITS RELATING TO PRIVATE (TIF) ELIGIBLE REDEVELOPMENT PROJECT COSTS

Pursuant to Section (65 ILCS 5/11-74.4-4(b)) of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4 et. seq.), municipalities may make and enter into contracts with private developers to induce redevelopment projects which are necessary or incidental to the implementation and furtherance of its redevelopment plan and project. Municipalities may also, under certain conditions, incur project redevelopment costs and reimburse developers who incur redevelopment project costs which are authorized by a redevelopment agreement (65 ILCS 5/11-74.4-4 (j)).

Private developers seeking reimbursement of TIF eligible redevelopment project costs are required by the municipality to complete this application allowing the municipality to adequately determine the developer's eligibility for assistance from the Tax Increment Financing (TIF) District.

**INSTRUCTIONS:** Complete each section and return via email to [tifillinois@tifillinois.com](mailto:tifillinois@tifillinois.com), fax (309) 664-7878 or U.S. Mail to: The Economic Development Group, Ltd., 1701 Clearwater Avenue, Bloomington, IL 61704.

PART I: DEVELOPER INFORMATION

Developer Legal/Business Name: D. Scott Haase Date: 4-16-2020

Business type:  Sole Proprietorship;  Partnership;  Corporation (State of Charter: \_\_\_\_\_);  
 LLC  Other (please describe): \_\_\_\_\_ Please list any other business, subsidiary, parent company, corporation, limited liability company, individual, or other entity that might incur costs related to this Project: \_\_\_\_\_

Developer's Contact Information:

Name D. Scott Haase Title Owner  
Address 400 South Main Street  
City Monmouth State IL Zip 61462  
Daytime Phone 309-335-5699 Mobile " "  
Fax \_\_\_\_\_ email SHAASE34@gmail.com

PART II: PROJECT INFORMATION

TIF District Name Main Street City Monmouth  
Project Name Rehabilitation of Review Atlas Building  
Anticipated Start Date January 2020 Anticipated Completion Date 120-180

Project Description Complete Remodel of interior and exterior  
Creating a Family Friendly Environment for Entertainment  
and Activities for all ages.

Project is classified as:  Industrial;  Commercial;  Residential

Project Street Address 400 South Main Street

Parcel(s) Relating to the above described project:

1. Property Identification Number (PIN) 09-205-409-00  
 Is this property within the TIF District Boundary (or proposed boundary)?  Yes  No  
 Date property was acquired: JANUARY 2020

2. Property Identification Number (PIN) ~~09-205-409-00~~  
 Is this property within the TIF District Boundary (or proposed boundary)?  Yes  No  
 Date property was acquired: ~~JANUARY 2020~~

3. Property Identification Number (PIN) \_\_\_\_\_  
 Is this property within the TIF District Boundary (or proposed boundary)?  Yes  No  
 Date property was acquired: \_\_\_\_\_

(Please list any additional parcels on separate sheet and attach)

**IF RESIDENTIAL:** what is the expected absorption rate or "build-out" for the project?

PHASE I: Number of lots = _____ @ \$ _____ per lot			PHASE II: Number of lots = _____ @ \$ _____ per lot		
Calendar Year	Number of Homes or Units	Avg. Fair Market Value (House and Lot)	Calendar Year	Number of Homes or Units	Avg. Fair Market Value (House and Lot)

(Please describe additional phases on separate sheet and attach)

**FOR ENTIRE PROJECT:**

Total Projected Investment \$ 510,000 (Land and Real Estate Improvements Only)

Total Number of Jobs Created: 5-6

Number of Jobs FTE (full-time equivalent): 5-6

Current annual retail sales (if applicable - commercial projects only) . . . . . \$ \_\_\_\_\_

Projected (new) annual retail sales generated by this project . . . . . \$ 180-240,000

**PART III. ESTIMATED TIF ELIGIBLE PROJECT COSTS**

Property Assembly Costs:	<i>Phase I:</i>	<i>Phase II:</i>
1. Property Acquisition . . . . .	\$ <u>35,600</u>	\$ _____
2. Site preparation, clearing and grading . . . . .	\$ _____	\$ _____
3. Demolition . . . . .	\$ <u>30,000</u>	\$ _____

Professional Fees:		
1. Planning, engineering, architectural . . . . .	\$ <u>2,500</u>	\$ _____
2. Legal . . . . .	\$ <u>2,500</u>	\$ _____
3. Accounting/financial . . . . .	\$ <u>500</u>	\$ _____
4. Marketing (land only) . . . . .	\$ _____	\$ _____
5. Other professional fees . . . . .	\$ _____	\$ _____
Job training and retraining services . . . . .	\$ <u>2,500</u>	\$ _____
Rehabilitation or renovation (existing buildings) . . . . .	\$ <u>510,000</u>	\$ _____
Public infrastructure improvements . . . . . (Water, sewer, drainage, sidewalks, curb, etc.)	\$ <u>50,000</u>	\$ _____
Utilities extension . . . . .	\$ _____	\$ _____

Interest Buy-Down:  
 Principal 328.22 @ 4.75 % per annum  
 for 20 years = Estimated Interest Expense  
 X 30% . . . . . \$ \_\_\_\_\_ \$ \_\_\_\_\_

Miscellaneous/Other (please specify):		
1. _____ . . . . .	\$ _____	\$ _____
2. _____ . . . . .	\$ _____	\$ _____
3. _____ . . . . .	\$ _____	\$ _____

**TOTAL ESTIMATED ELIGIBLE COSTS . . . . .** \$ 0.00 \$ 0.00

Additional Notes/Comments: \_\_\_\_\_

*(Please describe estimated eligible project costs for additional phases on separate sheet and attach)*

**PART IV. DECLARATIONS**

**Municipality**

Pursuant to the TIF Act, the municipality has the authority to 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 its redevelopment plan and project. Furthermore, the municipality may incur project redevelopment costs and reimburse developers who incur redevelopment project costs authorized by a redevelopment agreement; provided, however, that on and after the effective date of the amendatory Act of the 91st General Assembly, no municipality shall incur redevelopment project costs (except for planning costs and any other eligible costs authorized by municipal ordinance or resolution that are subsequently included in the redevelopment plan for the area and are incurred by the municipality after the ordinance or resolution is adopted) that are not consistent with the program for accomplishing the objectives of the redevelopment plan as included in that plan and approved by the municipality until the municipality has amended the redevelopment plan as provided elsewhere in the Act.

**Jacob & Klein, Ltd. and The Economic Development Group, Ltd.**

As special TIF attorneys and TIF consultants (respectively for municipalities), Jacob & Klein, Ltd. (J&K) and the Economic Development Group, Ltd. (EDG) will rely on the information and assumptions contained in the foregoing material to prepare financial projections relating to this project and the potential benefits of tax increment financing. J&K and EDG will not undertake an independent investigation to verify any of the information or material contained herein. No warranty, express or implied, as to the accuracy of the materials and information contained herein or the results projected in any presentation is made by J&K or EDG, its officers or employees. J&K and EDG specifically disclaim the accuracy of the formulas and calculations used to project potential TIF benefits and have no obligation to investigate or update, recalculate or revise the calculations. The material presented by J&K and EDG based on information provided herein is subject to risks, trends and uncertainties that could cause actual events to differ materially from those presented. Those persons providing information contained in this Application for Reimbursement of TIF Eligible Project Costs have represented to J&K and EDG that, as of the date it was provided, the information was accurate to the best of their knowledge. Any person viewing, reviewing or utilizing financial projections or other presentations based on the information contained in this Application should do so subject to all of the foregoing limitations and shall conduct independent investigation to verify the assumptions and calculations presented by J&K and EDG. By acceptance and use of any presentation created from the information contained herein, the user accepts all of the foregoing limitations and releases J&K and EDG from any liability in connection therewith.

**Private Developer**

The Private Developer hereby asserts that this redevelopment project would not be economically feasible without the use of tax increment financing.

The undersigned further certifies and warrants that to the best of his/her knowledge the information contained in this Application for Reimbursement of Private (TIF) Eligible Redevelopment Project Costs is true, correct and complete.

AS. Scott Huxer, Owner, 2-16-2020  
Private Developer Title Date  
Please mail a signed copy if returning the application via email.

OFFICE USE ONLY:

Date received \_\_\_\_\_ by \_\_\_\_\_