

Committee-of-the-Whole Agenda

6:30 p.m.

Tuesday, July 23, 2013

Presentations

- 6:00 p.m. – Quint Fire Truck on Display at City Hall
- Bi-State Regional Planning Commission Update (Denise Bulat, Executive Director, Bi-State)
- 2012 Moline Police Department Annual Report (Kim Hankins, Public Safety Director)

Questions on the Agenda

Agenda Items

- 1. Declaration of seized and forfeited vehicles as surplus property.** (Kim Hankins, Public Safety Director)
- 2. Revised Investment Policy.** (Kathy Carr, Finance Director)
- 3. Utility Easement located at the Bluffs of Case Creek.** (Jeff Anderson, City Planner)
- 4. Declaring Surplus Property and Selling to Moline CDC.** (Amy Keys, Deputy City Attorney)
- 5. Other**

Explanation

1. Declaration of seized and forfeited vehicles as surplus property. (Kim Hankins, Public Safety Director)

Explanation: Illinois State Statute provides that law enforcement agencies may seize vehicles used during the attempt or commission of specific crimes and subsequently initiate forfeiture proceedings on those vehicles. The below listed vehicles were seized and forfeited to the police department, and staff is requesting that they be declared as surplus property and disposed of by the Finance Director through the legal disposal process that is most advantageous to the City, whether sealed bid, auction, negotiation or otherwise: 2007 Chevrolet Impala VIN# 2G1WT58K479264352; 1989 Pontiac Bonneville VIN# 1G2HX54C1KW292472; 1994 Mercury Sable VIN# 1MELM5044RA601847.

Staff Recommendation: Approval
Fiscal Impact: Any proceeds after costs are for use by the seizing law enforcement agency.
Public Notice/Recording: Pamphlet Publication Required
Goal Impacted: Financially Strong City

2. Revised Investment Policy. (Kathy Carr, Finance Director)

Explanation: A written investment policy helps protect the assets of the City of Moline as well as limit the potential liability of both the investment staff and the governing body by assigning responsibility, identifying objectives, and addressing issues inherent in the investment function. The City adopted its original investment policy in 1984 and its current policy in 1997. In addition, S.B. 1555 signed into law during 1998 as P.A. 90-0688 amended the Public Funds Investment Act by requiring every local unit of government in Illinois to adopt a written policy governing its investment activity by January 1, 2000. The 1997 policy was reviewed and updated as needed. The current and proposed policies are attached.

Staff Recommendation: Approval
Fiscal Impact: N/A
Public Notice/Recording: N/A
Goal Impacted: Financially Strong City

3. Dedication and acceptance of a Utility Easement located at the Bluffs of Case Creek residential development site. (Jeff Anderson, City Planner)

Explanation: Agreements and plans to jointly participate in and facilitate development of the Bluffs at Case Creek residential site have been executed by the City of Moline and the Village of Milan. The agreements set forth that Moline will provide and operate water service and Milan will provide and operate sanitary sewer service to the site. This Utility Easement will provide the Village of Milan access to their sanitary sewer main and related appurtenances for various purposes including maintenance and repair. A copy of the Easement Plat is attached.

Staff Recommendation: Approval
Fiscal Impact: N/A
Public Notice/Recording: Planning Department to record Utility Easement
Goals Impacted: Strong Local Economy; Moline – Great Place to Live

4. **A Special Ordinance declaring the City-owned property at 1224 18th Street Moline surplus and authorizing the Mayor and City Clerk to execute an Agreement for Sale of Real Estate and do all things necessary to convey the property to Moline Community Development Corporation, an Illinois Not-For-Profit Corporation.** (Amy Keys, Deputy City Attorney)

Explanation: As a result of City Council goal setting, the Moline Community Development Corporation (MCDC) was created in 2008. Part of MCDC's mission is to provide quality housing for low to moderate income families and to foster neighborhood improvement. The City recently took possession of an abandoned, single-family home at 1224 18th Street by a Judicial Deed in an abandonment proceeding; said property being blighted and a nuisance for several years. To provide momentum to MCDC's efforts, MCDC is interested in rehabilitating the single-family home on the lot and selling it to a qualified family. MCDC has offered to purchase the 1224 18th Street property for \$1.00. The rehabilitation and sale of the single-family home at this location will restore the blighted property and increase the property tax base in the future. Additional documentation attached.

Staff Recommendation:	Approval
Fiscal Impact:	Lower property maintenance expenses and increase the property tax base in the future.
Public Notice/Recording:	Law Department to Record Quit Claim Deed
Goals Impacted:	Financially Strong City; A Great Place to Live

CITY OF MOLINE INVESTMENT POLICY

SCOPE

This investment policy applies to the investment activities of all funds of the City of Moline except the Police and Fire Pension Funds, which are subject to the order of the Board of each respective fund. All financial assets of other funds, including the General Fund, Special Revenue Funds, Capital Project Funds, Debt Service Funds, Enterprise Funds, Internal Service Funds, Trust and Agency Funds and all other funds which may be created from time to time shall be administered in accordance with the provisions of this policy.

OBJECTIVES

The purpose of this policy is to establish cash management and investment guidelines to City officials responsible for the stewardship of public funds. The primary objectives shall be:

1. **Safety of Capital.** Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio. To attain this objective, diversification is required so that potential losses on individual securities and/or financial institutions do not exceed the income generated from the remainder of the portfolio.
2. **Liquidity.** The City's investment portfolio shall remain sufficiently liquid to enable the City to meet all operating requirements which may be reasonably anticipated from any City fund. Maturities of investments of all funds except as noted below shall not exceed one year unless a temporary extension of maturities is approved by the City Council. Maturities of investment of Capital Project funds shall not exceed three years. Maturities of investments equal to the reserved fund balance in the General Fund, Health Insurance Fund and Liability Insurance Fund shall not exceed fifteen years.
3. **Return of Investments.** The investment portfolio of the City shall be designed to attain a market-average rate of return throughout budgetary and economic cycles, taking into account the City's risk constraints, the cash flow characteristics of the portfolio and legal restrictions for return on investment.
4. **Maintaining the Public's Trust.** All participants in the investment process shall seek to act responsibly as custodians of the public trust and shall avoid any transactions which might impair public confidence in the City.
5. **Prudence.** Investments shall be made with judgment and care under circumstances then prevailing, which persons of prudence, discretion and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the probable income to be derived. The prudent

investor rule shall be applied in the context of managing the City's overall portfolio. Investments officers of the City of Moline acting in accordance with this investment policy and written procedures as may be established and exercising due diligence shall be relieved of personal responsibility for individual securities credit risk or market price change provided that deviations from expectation are reported in a timely fashion and appropriate action is taken to control adverse developments.

6. Local Consideration. The City seeks to promote economic development in the Quad City Area. Under the City's competitive certificate of deposit purchase program, in the event a Quad City area financial institution bids within 1/4 of 1% percent of an out of Quad City area financial institution, the Quad City area institution shall be awarded the funds. Due to federally imposed legal restrictions, this does not apply to investments not permitted by federal law for bond related investment activities.

CASH MANAGEMENT

The Finance Officer shall follow these basic cash management principles:

1. Receipts. All monies due the City shall be collected as promptly as possible. Monies that are received shall be deposited in an approved financial institution no later than the next business day after receipt of the City. Amounts that remain uncollected after a reasonable length of time shall be subject to any available legal means of collection.
2. Disbursements. Any disbursements due to suppliers of goods and/or services or to employees for salaries and wages shall be contingent upon an available budget appropriation. All disbursements shall be supported by proper documentation.
3. Pooling of Cash. Except for cash in certain restricted and special accounts, the Finance Officer will be authorized to pool the cash of various funds to maximize investment earnings. Interest income will be allocated to the various funds based on their respective participation.

ACCOUNTING

The City of Moline maintains its accounting records on the basis of fund accounting. Each fund is considered a separate accounting entity. All investment transactions shall be recorded in the various funds of the City in accordance with generally accepted accounting principles as promulgated by the Government Accounting Standards Board.

INVESTMENT SELECTION

The City of Moline may invest in any type of security included on its allowable investment list as authorized by the Illinois Revised Statutes.

The City will specifically avoid any purchase of financial forwards or futures, derivatives, inverse floaters, any leveraged investments, lending securities or reverse repurchase agreements. All investments, except for cash management accounts and the Illinois Public Treasurer's Investment Pool, shall be selected on the basis of negotiated bids.

DIVERSIFICATION

It is the policy of the City of Moline to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of a loss resulting in over concentration in a specific maturity, issuer, or class of securities.

COLLATERALIZATION

1. It is the policy of the City of Moline to require that funds on deposit in excess of FDIC or insurable limits be secured by some form of collateral to protect public deposits in a single financial institution if it were to default due to poor management or economic factors.
2. Eligible collateral instruments are as follows:
 1. U.S. Government Securities equal.
 2. Obligations of Federal Agencies.
 3. Obligations of Federal Instrumentalities.
 4. Obligations of the State of Illinois.
 5. General Obligation Bonds of the City of Moline.

The amount of collateral provided will be not less than 110% of the fair market value of the net amount of public funds secured. The ratio of fair market value of collateral to the amount of funds secured will be reviewed quarterly and additional collateral will be requested when the ratio declines below the level required.

Pledged collateral will be held in safekeeping by a depository designated by the City of Moline and evidenced by a safekeeping agreement. Collateral agreements will preclude the release of the pledged assets without an authorized signature from the City of Moline. The City of Moline realizes that there is a cost factor associated with collateralization and will pay any reasonable and customary fees related to collateralization.

SAFEKEEPING OF SECURITIES

1. No financial institution shall hold more than 50% of the City's investment portfolio, exclusive of the U.S. Treasury securities in safekeeping.
2. Monies deposited at the financial institution shall not exceed 75% of the capital stock and

surplus of that institution.

3. Commercial paper shall not exceed 10% of the City's investment portfolio.
4. Illinois Public Treasurer's Investment Pool shall not exceed 50% of the investment portfolio.
5. Certificates of Deposits issued by credit unions shall not exceed 10% of the City's investment portfolio.
6. Banker Acceptances shall not exceed 25% of the City's investment portfolio.

QUALIFIED FINANCIAL INSTITUTIONS

It shall be the policy of the City of Moline to select financial institutions on the following basis.

1. **Security.** The City will not maintain funds in any financial institution that is not a member of the FDIC system. In addition, the City will not maintain funds in any institution not willing or capable of posting required collateral for funds in excess of FDIC insurable limits.
2. **State of Condition.** The City of Moline shall maintain for public and managerial inspection quarterly statements of condition for each financial institution named as depository. If, for any reason the information furnished is considered by the Finance Officer to be insufficient, the City may request additional data. The refusal of any institution to provide such data upon request may serve as sufficient cause for the withdrawal of City funds.
3. **Services and Fees.** Fees for Banking Services shall be mutually agreed providing an authorized representative of the depository bank and the Finance Officer on an annual basis. Fees for services shall be substantiated by a monthly account analysis and shall be reimbursed by means of compensating balances

MANAGEMENT OF THE INVESTMENT PROGRAM

1. The Finance Officer and the Accountant are authorized to purchase and sell investments, authorize wire transfers, authorize the release of pledged collateral, and execute any documents required under this policy. These documents include:
 - a) Master Repurchase Agreements;
 - b) Wire Transfer Agreement
 - c) Depository Agreement;

- d) Safekeeping Agreement; and
 - e) Custody Agreement.
2. Management responsibility for the investment program is hereby delegated to the Finance Officer who shall establish and follow written procedures for the operation of the investment program, consistent with this investment policy. Such procedures shall include explicit delegation of authority to persons responsible for investment transactions. No person may engage in any investment transaction except as provided under the terms of this policy and the procedures established by the Finance Officer. The Finance Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinates.
3. The wording of agreements necessary to fulfill the investment responsibility is the responsibility of the Finance Officer who should periodically review them for the consistency with the City policy and state law and who shall be assisted in this function by the City's Attorney. These agreements include but are not limited to:
- a) master repurchase agreement;
 - b) wire transfer agreement;
 - c) depository agreement;
 - d) safekeeping agreement;
 - e) custody agreement.

INTERNAL CONTROLS

The Finance Officer shall establish a system of internal controls, which shall be documented in writing. The internal controls shall be reviewed by an independent certified public accountant in conjunction with the annual audit of financial statements. The controls shall be designated to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties or imprudent actions by employees and officers of the City of Moline.

One of the required elements of the system of internal controls shall be the timely reconciliation of all bank accounts. Bank reconciliations shall be performed on a monthly basis.

ETHICS AND CONFLICT OF INTEREST

Officers and employees involved in the investment process shall refrain from personal business activity that would conflict with the proper execution of the investment program or which could impair their ability to make impartial investment decisions. Employees and investment officials shall disclose to City Council any material financial interest in financial institutions that can conduct business with the City and they shall further disclose any large personal financial or investment positions that could be related to the performance of the City's

portfolio. Employees and officers shall subordinate their personal investment transaction to those of the City particularly with regard to the timing of purchases and sales.

INDEMNIFICATION

Investment officers and employees of the City acting in accordance with this investment policy and written procedures as have been or may be established and exercising due diligence shall be relieved of personal liability for any individual security, credit risk or market changes.

REPORTING

This Finance Officer shall submit to the Finance & Administration Committee quarterly an investment report which shall describe the portfolio in terms of investment by fund, maturity, date of each investment, and interest rate of each investment. The report shall indicate any areas of policy concern and planned revision of investment strategies. From time to time the Finance Officer shall suggest policies and improvements that might be made in the investment program.

AMENDMENT

This policy shall be reviewed from time to time and any revisions shall be presented to the City Council for its approval.

CONFLICT

All City ordinances and parts of ordinances and all resolutions and parts thereof in conflict with this policy or parts thereof are hereby repealed. In the event of any conflict between this policy and the Illinois Compiled Statutes or case decisions of the State of Illinois, then the statutes and the case law decisions shall control.

CAPTIONS AND HEADINGS

The captions and headings used herein are for convenience and reference only and do not define or limit the contents.

ADOPTION

This policy was adopted by the City Council by Resolution No. 97-54 presented on the 22nd day of April 1997.

CITY OF MOLINE, ILLINOIS INVESTMENT POLICY

I. POLICY STATEMENT

It is the policy of the City of Moline to invest public funds in a manner which will provide the highest investment return with the maximum security while meeting the daily cash flow demands of the City and conforming to all state and local statutes governing the investment of public funds.

II. SCOPE

This investment policy applies to all investment activities of the City of Moline except for the Police and Firefighters' Pension Funds, which are subject to the order of the Board of Trustees of each respective fund. All financial assets of current funds, and all other funds which may be created from time to time, shall be administered in accordance with the provisions of this policy.

III. OBJECTIVES

The purpose of this policy is to establish cash management and investment guidelines to City officials responsible for the stewardship of public funds. The primary objectives shall be:

1. **Safety:** Safety of principal is the foremost objective of the City. Investments shall be undertaken in a manner that seeks to insure the preservation of capital in the overall portfolio.
 - A. Credit Risk:

Credit Risk is the risk of loss due to the failure of the Security issuer or backer. Credit risk may be mitigated by:

 - limiting investments to the safest types of securities
 - pre-qualifying the financial institutions, broker/dealers and advisors with which the City will do business, and
 - diversifying the investment portfolio so that potential losses on individual securities will be minimized.
 - B. Interest Rate Risk:

Interest rate risk is the risk that the market value of securities in the portfolio will fall due to the changes in general interest rates. Interest rate risk may be mitigated by:

 - structuring the investment portfolio so that securities mature to meet cash requirements for ongoing operations, thereby avoiding the need to sell securities on the open market prior to maturity, and
 - by investing operating funds primarily in shorter-term securities.

2. **Liquidity:** The City's investment portfolio shall remain sufficiently liquid to meet all operating requirements that may be reasonably anticipated. This is accomplished by structuring the portfolio so that securities mature concurrent with cash needed to meet anticipated demands.
3. **Return of Investments:** The investment portfolio of the City shall be designed with the objective of attaining a market rate of return throughout budgetary and economic cycles, taking into account the city's risk constraints and liquidity needs. The core of investments is limited to relatively low risk securities in anticipation of earning a fair return relative to the risk being assumed. Securities will not be sold prior to maturity with the following exceptions:
 - 1) a declining credit security could be sold early to minimize loss of principal;
 - 2) liquidity needs of the portfolio require that the security be sold.

IV. STANDARDS OF CARE

1. **Prudence**

The standard of prudence to be used in the investment function shall be the "Prudent Person" standard and shall be applied in the context of managing the overall portfolio. This standard states "Investments shall be made with judgment and care, under circumstances then prevailing, which persons of prudence, discretion, and intelligence exercise in the management of their own affairs, not for speculation, but for investment, considering the probable safety of their capital as well as the expected income to be derived."
2. **Ethics and Conflicts of Interest**

Officers and employees involved in the investment process shall refrain from personal business activity that could conflict with the proper execution and management of the investment program, or that could impair their ability to make impartial decisions.
3. **Delegation of Authority**

Authority to manage the City of Moline's investment program is granted to the Finance Director and derived from State Statutes. The Finance Director is designated as the Investment Officer and is responsible for investment management decisions and activities. All participants in the investment process shall seek to act responsibly as custodians of the public trust. The Investment Officer shall develop and maintain written administrative procedures for the operation of the investment program, which are consistent with this investment policy. Procedures will include reference to selection of broker/dealers and financial institutions, safekeeping, repurchase agreements, wire transfer agreements, banking services contracts, and other investment related activities.

The Investment Officer shall be responsible for all transactions undertaken and shall establish a system of controls to regulate the activities of subordinate

officials and staff. The Investment Officer shall designate the Accountant as a liaison/deputy in the event circumstances require timely action and the Investment Officer is not available.

No person may engage in an investment transaction except as provided under the terms of this policy and the procedures established by the Investment Officer.

V. SAFEKEEPING AND CUSTODY

1. Authorized Financial Dealers and Institutions

A list will be maintained of financial institutions authorized to provide investment services. No public deposit shall be made except to a qualified public depository as established by the state statutes.

All security brokers/dealers with whom the City transacts business will be provided a copy of this Investment Policy. All security broker/dealers will provide the City with certification of having read and understood and agreeing to comply with the City's investment policy.

2. Internal Controls

The Investment Officer shall establish and maintain a system of internal controls. The internal controls shall be reviewed by an independent certified public accountant in conjunction with the annual audit of financial statements. The controls shall be designed to prevent losses of public funds arising from fraud, employee error, misrepresentation by third parties or imprudent actions by employees and officers of the City of Moline.

One of the required elements of the system of internal controls shall be the timely reconciliation of all bank accounts. Bank reconciliations shall be performed on a monthly basis.

3. Delivery vs. Payment

All security transactions, where applicable, entered into by the City, shall be conducted on a delivery-versus-payment (DVP) basis to ensure that securities are deposited in a eligible financial institution before the release of funds.

VI. SUITABLE INVESTMENTS

1. Investment Types

The City of Moline may invest in any type of security as allowed for in the Illinois State Statutes regarding the investment of public funds.

The City will specifically avoid any purchase of financial forwards or futures, derivatives, inverse floaters, any leveraged investments, lending securities, collateralized mortgage obligations, or reverse repurchase agreements.

2. Collateralization

Funds on deposit in excess of FDIC or insurable limits shall be secured by some form of collateral to protect public deposits.

The City will accept any of the following securities as collateral:

- Obligations of the U.S. Government; or
- Obligations of any agency or instrumentality of the U.S. Government; or
- Obligations of any municipal or state government

The amount of collateral provided will be not less than 102% of the fair market value of the net amount of public funds secured. Pledged collateral will be held in safekeeping by a depository designated by the City of Moline and evidenced by a safekeeping agreement. A detailed monthly statement listing a description of securities pledged and held in safe keeping must be provided to the City.

VII. INVESTMENT PARAMETERS

1. Diversification

It is the policy of the City of Moline to diversify its investment portfolio. Investments shall be diversified to eliminate the risk of a loss resulting in over concentration in a specific maturity, issuer, or class of securities.

2. Maximum Maturities

To the extent possible, the City will attempt to match its investments with anticipated cash flow requirements. Unless matched to a specific cash flow, the City will not invest in securities maturing more than five (5) years from the date of purchase.

Because of the inherent difficulties in accurately forecasting cash flow requirements, a portion of the portfolio should be continuously invested in readily available funds such as money market funds or overnight repurchase agreements to ensure that appropriate liquidity is maintained to meet ongoing obligations.

3. Competitive Bid

All investments, except for funds placed in the Public Treasurers Investment Pool, Illinois Metropolitan Investment Fund, and cash management accounts, shall be selected on the basis of competitive bids.

VIII. REPORTING

1. Methods

The Investment Officer shall submit quarterly reports to City Council containing sufficient information to permit an informed outside reader to evaluate the performance of the investment program. The report should summarize investment securities held at the end of the reporting period, maturities, returns, percentage of portfolios, which each type of investment represents or other factors of importance. The market value of the portfolio shall be included within the quarterly reports.

2. Performance

The investment portfolio will be managed in accordance with the parameters specified within this policy. The portfolio, taking into account the City's investment constraints and cash flow needs, should obtain a comparable rate of return during a market/economic environment of stable interest rates.

IX. INDEMNIFICATION

Investment officers and employees of the City acting in accordance with this investment policy and written procedures as have been or may be established and exercising due diligence shall be relieved of personal liability for any individual security, credit risk or market changes.

X. AMENDMENT

This policy shall be reviewed from time to time and any revisions shall be presented to the City Council for its approval.

XI. CONFLICT

All City ordinances and part of ordinances and all resolutions and parts thereof in conflict with this policy or parts thereof are hereby repealed. In the event of any conflict between this policy and the Illinois Compiled Statutes or case decisions of the State of Illinois, then the statutes and the case law decisions shall control.

XII. ADOPTION

This policy was adopted by the City Council by Resolution No. _____ presented on the 6th day of August, 2013.

**AUTHORIZED FINANCIAL DEALERS INVESTMENT
POLICY ACCEPTANCE**

I have received the investment policy for the City of Moline. I have read and understand the goals and objectives of the City's investment program.

Signature Date

Print Name E-Mail address

Title Telephone Number

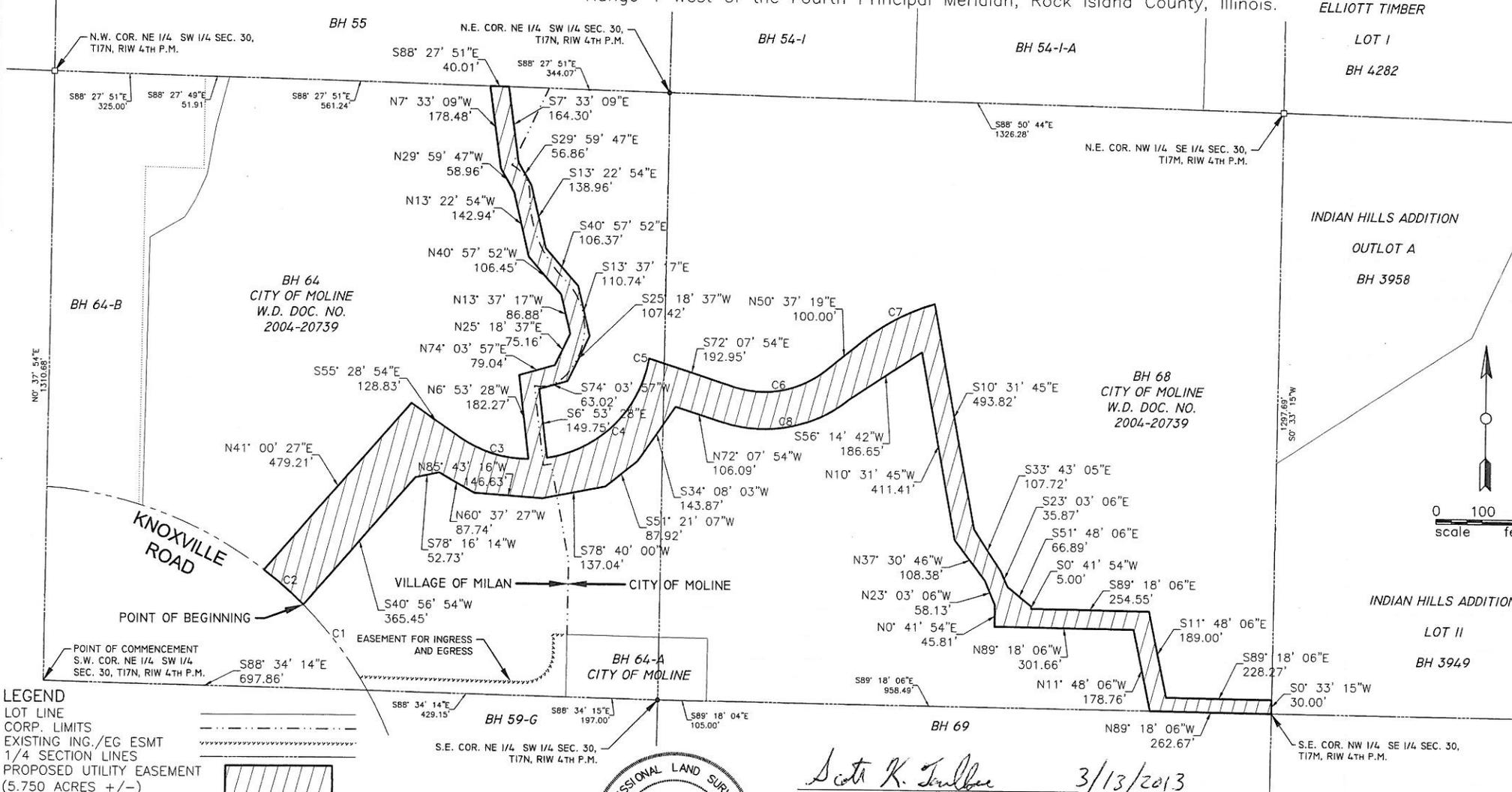
Company Fax Number

Company Address

City, State, Zip Code

Utility Easement Plat

Part of the Northeast Quarter of the Southwest Quarter and part of the Northwest Quarter of the Southeast Quarter of Section 30, Township 17 North, Range 1 West of the Fourth Principal Meridian, Rock Island County, Illinois.



LEGEND
 LOT LINE
 CORP. LIMITS
 EXISTING ING./EG ESMT
 1/4 SECTION LINES
 PROPOSED UTILITY EASEMENT
 (5.750 ACRES +/-)

CURVE TABLE

ARC	ARC LENGTH	RADIUS	CHD. BEAR.	CHD. DIST.
C1	230.53'	859.03'	N37°14'44"W	229.84'
C2	113.09'	859.03'	N48°42'18"W	113.01'
C3	157.35'	260.00'	S72°49'12"E	154.96'
C4	313.91'	260.00'	N46°25'29"E	295.19'
C5	12.76'	460.00'	N11°02'30"E	12.76'
C6	210.01'	210.00'	N79°13'13"E	201.37'
C7	176.79'	440.00'	N62°04'58"E	175.61'
C8	290.00'	290.00'	S79°13'13"W	278.07'



MY LICENSE EXPIRES 11/30/2014

Scott K. Taulbee 3/13/2013
 SCOTT K. TAULBEE I.P.L.S. 35-3490 DATE

I, SCOTT K. TAULBEE, ILLINOIS PROFESSIONAL LAND SURVEYOR NO. 35-3490, DO HEREBY CERTIFY THAT THIS UTILITY EASEMENT PLAT WAS PREPARED UNDER MY DIRECTION AND IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF. IT WAS PREPARED USING INFORMATION PROVIDED TO ME AND A PLAT PREPARED BY MISSMAN, INC DATED 1/18/2012 WHICH IS ATTACHED AS EXHIBIT "B". CHANGES WERE MADE TO INCLUDE ADDITIONAL AREA ALONG PORTIONS OF THE SOUTH SIDE OF THE EASEMENT AS SHOWN ON SAID EXHIBIT "B".

CITY OF MOLINE ILLINOIS
 PREPARED BY
 ENGINEERING DIVISION
CITY OF MOLINE,
 3635 4TH AVENUE
 MOLINE, IL 61265

AGREEMENT FOR SALE OF REAL ESTATE

AGREEMENT, by and between, **MOLINE COMMUNITY DEVELOPMENT CORPORATION**, an Illinois not-for-profit corporation (hereinafter “**Buyer**”), located in Moline, Illinois, and **THE CITY OF MOLINE**, an Illinois municipal corporation, (hereinafter “**Seller**”), located at 619 16th Street, Moline, Illinois.

WITNESSETH:

WHEREAS, the Buyer has offered to buy and the Seller is willing to sell the real property more particularly described in **Schedule A** attached hereto and incorporated herein (hereinafter “**Property**”), and commonly known as 1224 18th Street, Moline, Illinois;

NOW, THEREFORE, in consideration of the premises and the mutual obligations of the parties hereto, each of them does hereby covenant and agree with the other as follows:

Sec. 1. PURCHASE PRICE

Subject to all terms, covenants and conditions of the Agreement, the Buyer will purchase the Property from the Seller, and the Seller will sell the Property to the Buyer and pay therefore the amount of **One and No/100ths Dollars (\$1.00)** (hereinafter “**Purchase Price**”) payable to Seller at time of closing.

Sec. 2. CLOSING AND POSSESSION

Closing shall be on or before **the 30th day of August, 2013**, or on such other date as the parties hereto may mutually agree to in writing. Closing shall take place at the office of the closing agent mutually acceptable to Buyer and Seller, and Buyer shall accept the conveyance and pay the Purchase Price to the Seller at such time and place. Buyer shall take possession of the property at closing.

Sec. 3. CONVEYANCE OF PROPERTY

(a) Form of Deed. At Closing, Seller shall deliver a special Quit Claim Deed (“**Deed**”) in the name of the Buyer to Buyer conveying Seller’s interests and title together with such other documents that may be required to record the deed and transfer personal property.

Said Deed shall be conveyed in an “as is, where is” condition with all faults and defects, known or unknown, physical or otherwise, including but not limited to environmental defects, whether disclosed or not disclosed, known or not known, and without representation or warranty, express or implied. Such conveyance subject to such condition shall bar all tort, warranty, and misrepresentation claims, including any action based on non-disclosure. The conveyance and title of the Property shall, in addition to other conditions, covenants and restrictions set forth or referred to elsewhere in the Agreement, be subject to:

1. Applicable statutes, orders, rules and regulations of the Federal Government and State of Illinois, and laws and ordinances of the City of Moline, including zoning, building, and land subdivision laws and regulations; and
2. All easements of record; and
3. Matters that would be revealed by an ALTA survey of the Property.

(b) Proration of Taxes and Adjustments. There shall be no proration of taxes as the Property is currently tax exempt; and there are no leases for the subject property requiring a credit for deposits or proration of rents.

(c) Expenses of Transfer. Buyer shall pay:

1. Recording fees for deed and mortgages, if any;
2. Cost of Buyer's abstracting or mortgage title insurance policy, if necessary.

Each party shall be responsible for his or her own attorney fees and customary closing costs. Closing costs do not ordinarily include charges incident to the Buyer's financing, and such charges shall be paid by Buyer.

(d) Settlement Procedures. To the extent the subject transaction is covered by its provisions, the parties agree to comply with the Real Estate Settlement Procedures Act of 1974 (RESPA).

(e) Special Assessments. Seller will be responsible for all special assessments levied as of the date the City Council of the City of Moline approves this sale. Buyer is responsible for all special assessments levied after that date.

Sec. 4. PROPERTY CONDITION

Buyer acknowledges that the Buyer has visually inspected the real estate and the improvements thereof; the Buyer is acquainted with the condition thereof and the Buyer shall accept the Property.

Sec. 5. ENTIRE AGREEMENT

This Agreement and its Exhibits contain the entire agreement among the parties, and supersedes all prior agreements or other understandings, oral or written, not expressly retained herein. It shall inure to the benefit of, and shall be binding upon the parties hereto and their respective successors or assigns. This Agreement may be modified only by a written amendment signed by all of the parties.

Sec. 6. APPLICABLE LAW

This Agreement shall be governed by the laws of the State of Illinois, and the sole and exclusive venue for any disputes arising out of this Agreement shall be any state court located within Rock

Island County, Illinois, or federal court located within the appropriate venue. A waiver of any part of this Agreement shall be limited to that specific event and shall not be a waiver of the entire Agreement.

Sec. 7. SEVERABILITY

Should any part of this Agreement be determined to be illegal, invalid or otherwise unenforceable, then all such remaining parts not so affected by such illegality, invalidity or unenforceability shall continue in full force and effect, fully binding all parties, their respective heirs and assigns, as to such remaining terms.

Sec. 8. ASSURANCE OF FURTHER ACTION

From time to time hereafter and without further consideration, each of the parties to this Agreement shall execute and deliver, or cause to be executed and delivered, such Recordable Memoranda, further instruments, and agreements, and shall take such other actions, as any other party may reasonably request in order to more effectively memorialize, confirm, and effectuate the intentions, undertakings, and obligations contemplated by this Agreement.

Sec. 9. ACCEPTANCE

Until accepted by the Seller, this document constitutes an irrevocable offer to purchase on the terms stated above. Buyer's offer to buy herein shall be irrevocable to and including August 30, 2013. If not so approved by the Seller, through its City Council, by August 13, 2013, this offer and Agreement shall be void.

This Agreement has been read and executed in duplicate on the dates beside the parties' authorized agents' signatures.

IN WITNESS WHEREOF, **Moline Community Development Corporation**, Buyer, has caused this Agreement for Sale of Real Estate to be executed this _____ day of _____, 2013.

By: _____
Name: _____
Its: _____

STATE OF ILLINOIS)
) SS:
COUNTY OF ROCK ISLAND)

On this _____ day of _____, 2013, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared _____, to me personally known, who, being by me duly sworn, did say that he is the _____ of the Moline Community Development Corporation, executing the within and foregoing instrument to which this is attached; that said instrument was signed and delivered as the free and voluntary act of said corporation, and caused the corporate seal of the said corporation to be affixed thereto, pursuant to authority give by the Board of Directors of said Corporation as his free and voluntary act and as the free and voluntary act of said corporation, for the uses and purposes therein set forth.

(seal)

NOTARY PUBLIC

IN WITNESS WHEREOF, The City of Moline has caused this Agreement for Sale of Real Estate to be duly executed in its name and on behalf by Scott Raes, its Mayor, this _____ day of _____, 2013.

City of Moline (Seller)

Attest:

Scott Raes, Mayor

Tracy A. Koranda, City Clerk

Approved as to form:

Maureen E. Riggs, City Attorney

STATE OF ILLINOIS)
)
COUNTY OF ROCK ISLAND) ss:

On this _____ day of _____, 2013, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared SCOTT RAES and TRACY A. KORANDA, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Moline, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

NOTARY PUBLIC

Prepared by:

Amy L. Keys
Deputy City Attorney
City of Moline
619 16th Street
Moline, IL 61265
Phone: (309) 524-2021
Fax: (309) 524-2020

SCHEDULE A

THAT PART OF LOT NUMBER ONE (1) ASSESSOR'S PLAT FOR A.D. 1861 IN THE NORTH EAST QUARTER OF THE NORTHEAST QUARTER OF SECTION NUMBER FIVE (5) IN TOWNSHIP NUMBER SEVENTEEN (17) NORTH, RANGE NUMBER ONE (1) WEST OF THE FOURTH PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

BEGINNING AT A WOOD STAKE IN THE EAST LINE OF EIGHTEENTH STREET IN THE CITY OF MOLINE ONE HUNDRED SIX AND EIGHTEEN ONE-HUNDREDTHS (106.18) FEET SOUTH OF THE SOUTH LINE OF TWELFTH AVENUE IN SAID CITY (THE INTERSECTION OF THE SOUTH LINE OF TWELFTH AVENUE AND THE EAST LINE OF EIGHTEENTH STREET BEING FIVE (5) CHAINS AND TWENTY ONE (21) LINKS WEST OF THE EAST LINE OF SAID SECTION NUMBER FIVE (5));

THENCE CONTINUING SOUTH ALONG THE EAST LINE OF SAID EIGHTEENTH STREET FORTY FOUR (44) FEET TO A WOOD STAKE; THENCE EAST PARALLEL WITH THE SOUTH LINE OF SAID TWELFTH AVENUE SIXTY TWO AND ONE HALF (62 ½) FEET; THENCE NORTH PARALLEL WITH THE EAST LINE OF SAID EIGHTEENTH STREET FORTY FOUR (44) FEET; THENCE WEST SIXTY TWO AND ONE HALF (62 ½) FEET TO THE POINT OF BEGINNING; SITUATED IN THE CITY OF MOLINE, ROCK ISLAND COUNTY, ILLINOIS.