

## **Committee-of-the-Whole Agenda**

**6:30 p.m.**

**Tuesday, April 22, 2014**

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### **Mayor's Board Appointment**

Mayor's reappointment of Jolene Keeney to the Historic Preservation Commission for a full three year term to expire April 30, 2017.

### **Questions on the Agenda**

### **Agenda Items**

- 1. Municipal Audit Program.** (Keith Verbeke, Finance Manager)
- 2. Surplus Property.** (Kathy Carr, Finance Director)
- 3. Residential Resurfacing Contract.** (Scott Hinton, City Engineer)
- 4. Easements at 4101 41<sup>st</sup> Street.** (Scott Hinton, City Engineer)
- 5. Sanitary Sewer and Water Main Extension Permits.** (Scott Hinton, City Engineer)
- 6. Performance Based Development Agreement.** (Ray Forsythe, Planning & Development Director)
- 7. Other**

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# Explanation

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## 1. Municipal Audit Program. (Keith Verbeke, Finance Manager)

**Explanation:** Azavar Audit Solutions is proposing to conduct a municipal audit program on behalf of the City of Moline on taxes and fees due to the City. There are no upfront costs to the City to participate in this audit program. Azavar would receive 45% of any new revenue or funds recovered per account. Additional documentation attached.

**Staff Recommendation:** Approval  
**Fiscal Impact:** Increased revenue to the General Fund  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Financially Strong City

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## 2. Request to Declare Various Items as Surplus Property and Authorizing the Finance Director to Dispose of Said Surplus Property. (Kathy Carr, Finance Director)

**Explanation:** The lower level of the Central Fire Station contains a series of metal lockers that were formerly used by police and were left when the department relocated to the new public safety building. There are numerous pieces of metal and metal panels located in the old shooting range, which is no longer used by the police department. This metal could possibly be recycled. The Planning Department has several pieces of office furniture that are no longer being used and are in good/poor condition. The Fleet Division has one OTC Genisys Scanner that is no longer being used and in fair condition. Authorization needs to be given to dispose of these surplus items through the legal disposal process that is most advantageous to the City whether sealed bid, auction, negotiation or otherwise. Additional documentation attached.

**Staff Recommendation:** Approval  
**Fiscal Impact:** Potential Revenue for the General Fund  
**Public Notice/Record:** N/A  
**Goal Impacted:** Financially Strong City

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## 3. Approval of a Contract with McCarthy Improvement Company for Project #1201 2014 Residential Resurfacing Program. (Scott Hinton, City Engineer)

**Explanation:** Bids were opened and publicly read on April 15, 2014 for Project #1201 with the following results:

\$752,727.40	McCarthy Improvement
\$756,870.61	General Asphalt
\$772,120.30	Valley Construction
\$868,586.30	Brandt Construction

Project #1201 includes pavement patching, ADA sidewalk ramp installation, and an asphalt overlay of six streets in the Logan School area (25<sup>th</sup> Street / 16<sup>th</sup> Ave). Additional documentation attached.

**Staff Recommendation:** Approval  
**Fiscal Impact:** \$1,215,000.00 originally budgeted for the Sylvan Island Bridge replacement is available for this work.  
**Public Notice/Record:** N/A  
**Goal Impacted:** Strong Local Economy; Improved City Infrastructure & Facilities

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**4. Acceptance of a Permanent Utility and Drainage Easement and a Temporary Construction Easement at 4101 41<sup>st</sup> Street.** (Scott Hinton, City Engineer)

**Explanation:** A Permanent Utility and Drainage Easement and a Temporary Construction Easement are necessary to facilitate the installation of a water main on property commonly known as 4101 41<sup>st</sup> Street (McLaughlin Motors). Additional documentation attached.

**Staff Recommendation:** Approval  
**Fiscal Impact:** Rock Island County recording costs  
**Public Notice/Record:** N/A  
**Goal Impacted:** Strong Local Economy; Improved City Infrastructure & Facilities

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**5. Adoption of a Resolution Authorizing the Civil Engineer to Sign Sanitary Sewer and Water Main Extension Permits.** (Scott Hinton, City Engineer)

**Explanation:** The Illinois Environmental Protection Agency (IEPA) requires that all sanitary sewer and water main replacement and extension projects be permitted through the IEPA before the work begins. The IEPA's permitting process is cumbersome and time consuming and often delays the desired start of construction. State statute allows for municipalities to assume this permitting function through a "delegated authority" agreement with the IEPA. The IEPA will allow municipalities to issue the permits if the municipality demonstrates that their staff has the knowledge, skills, and abilities to ensure that all IEPA rules and regulations are followed. Additional documentation attached.

**Staff Recommendation:** Approval  
**Fiscal Impact:** Rock Island County recording costs  
**Public Notice/Record:** N/A  
**Goal Impacted:** Strong Local Economy; Improved City Infrastructure & Facilities

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**6. Approval of a Performance Based Development Agreement between the City of Moline and KJMC Properties, L.L.C. for property located at 1522 and 1524-1534 River Drive and 1529 3<sup>rd</sup> Avenue A, to be known as the Skinner Block Development.** (Ray Forsythe, Planning & Development Director)

**Explanation:** The City wishes to enter into a performance based development agreement with KJMC Properties, L.L.C. ("Developer") to facilitate the multi-phased redevelopment of the property to include up to 22 market rate apartments and commercial uses in three adjacent properties, to be known as the Skinner Block Project. The total project cost is approximately \$3,600,000. The Developer has requested a property tax rebate from the net incremental real estate taxes to make the project financially feasible. In addition, the Developer has requested access to a minimum of 40 parking spaces through a long term lease, as well as leases for outdoor dining in the adjacent courtyard and an addition to the existing dumpster area in the southern edge of the parking lot west of the Arsenal Bridge ramp/Collector's Center. The City's total payment from the net increment shall not exceed 15% of the total project costs and shall not extend beyond the TIF District #1's expiration date of December 31, 2021. Additional documentation attached.

**Staff Recommendation:** Approval  
**Fiscal Impact:** Increased property and sales taxes  
**Public Notice/Record:** N/A  
**Goal Impacted:** Strong Local Economy; A Great Place to Live

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## CONTINGENT FEE PROFESSIONAL SERVICES AGREEMENT

This Professional Services Agreement ("Agreement") is made and entered into by and between Azavar Audit Solutions, Incorporated, an Illinois corporation having its principal place of business at 234 South Wabash Avenue, Sixth Floor, Chicago, Illinois 60604 ("Azavar"), and the \_\_\_\_\_, an Illinois municipal corporation having its principal place of business at \_\_\_\_\_ ("Customer").

### 1. SCOPE OF SERVICES

1.1 Subject to the following terms and conditions, Azavar shall provide professional computer, data audit, compliance management, and management consulting services ("Services") in accordance with the below statement of work. Azavar will render the services provided under this Agreement in a workmanlike manner in accordance with industry standards. The services and work provided shall be provided in substantial accordance with the below statements:

- (a) Azavar shall undertake a Municipal Audit Program on behalf of the Customer. As part of the Municipal Audit Program Azavar shall, on behalf of the Customer, separately audit each utility tax, taxpayer, franchise fee, and utility service fee and expense imposed by or upon the Customer within the Customer's corporate boundaries ("Audits") including, but not limited to Electric, Gas, Cable, and Telecommunications providers ("Providers") on behalf of the Customer. Azavar shall also audit during the course of its work for the Customer receipts, addresses and databases relating to local sales/use taxes and business license revenue. Azavar shall audit water service, expense, and taxes and hotel/motel occupancy taxes.
- (b) The purpose of each audit is to determine past, present, and future taxes, franchise fees, service fees, or any other refunds, monies or revenue owed to the Customer that were not properly attributed to the Customer or were not properly paid or collected and to determine future taxes, franchise fees, and other monies owed to the Customer not previously counted so that Customer can collect these past, present, and future monies. Federal and Illinois state law, the Customer's own local ordinances and databases, and the franchise agreements, contracts or bills between Customer and Providers are used by Azavar to conduct the Audits and Azavar will present to Customer in writing during the course of the Audits findings of monies due or potentially due to the Customer for review by the Customer ("Findings"). Customer agrees to review any Findings within thirty (30) days.
- (c) Customer hereby represents that it is not engaged in any Audits as contemplated under this Agreement and shall therefore pay Azavar the fees set forth in this Agreement for any Findings made by Azavar. Customer agrees that it shall not initiate or engage in any Audits contemplated under this Agreement without Azavar's written consent.
- (d) In order to perform the Audits, Azavar will require full access to Customer records and Provider records. Customer will use its authority as necessary to assist in acquiring information and procure data from Providers; Customer agrees to cooperate with Azavar, provide any necessary documentation, and will engage in necessary meetings with Providers;
- (e) During the course of each audit, Azavar may find that rather than being owed past due funds, the Customer owes funds erroneously paid to the Customer. In this case, Azavar will immediately terminate its participation for that specific Provider audit at no cost to the Customer and will document the error and provide the Customer with information necessary to correct the error. Azavar shall have no liability to Customer for these errors or actions arising from Azavar's or Customer's knowledge thereof.
- (f) Customer acknowledges that each Provider is a separate entity that is not controlled by Azavar and therefore Azavar cannot predict all the steps or actions that a Provider will take to limit its responsibility or liability during the audit. Should Customer negotiate, abate, cancel, amend, delay, or waive by any means all or a portion of funds identified as payable to Customer during an audit, Customer shall pay all Azavar expenses and fees on a time and materials basis for that audit in addition to any applicable contingency fees for any Findings that were identified by Azavar or by its Audits;
- (g) The first audit start date is expected to be within no later than thirty (30) days from the date of this Agreement unless changed and approved by the Customer's Audit Primary Contact and Liaison;
- (h) Each audit is expected to last at least six (6) months. Each subsequent audit will begin after payment terms and obligations have been satisfactorily met from previously completed Audits however overlapping audit work may take place at the discretion of Azavar. Audit timelines are set at the discretion of Azavar;
- (i) Audit status meetings will be held regularly via phone, email, or in person throughout the course of the Audits between Azavar and the Customer's Primary Contact and Liaison and will occur approximately every quarter;
- (j) Jason Perry, Municipal Audit Program Manager, and Azavar specialists will be auditors under this agreement. All Azavar staff or subcontractors shall be supervised by the Azavar Program Manager.

1.2 Customer agrees to provide reasonable facilities, space, desks, chairs, telephone and reasonably necessary office supplies for Consultants working on Customer's premises as may be reasonably required for the performance of the Services set forth in this Agreement and in any Exhibit hereto. Customer will assign and designate an employee to be the Audit Primary Contact and Liaison. The Customer's Audit Primary Contact and Liaison will be the final decision maker for the Customer as it relates to this audit and will meet with Azavar staff on a regular basis as necessary. Lack of participation of Customer staff, especially at critical milestones during an audit, will adversely affect the audit timeline and successful recovery of funds. Customer's staff shall be available for meetings and participation with Providers to properly verify records and recover funds.

2. **INDEPENDENT CONTRACTOR.** Azavar acknowledges and agrees that the relationship of the parties hereunder shall be that of independent contractor and that neither Azavar nor its employees shall be deemed to be an employee of Customer for any reason whatsoever. Neither Azavar nor Azavar's employees shall be entitled to any Customer employment rights or benefits whatsoever. Customer shall designate Jason Perry and assigned auditors as authorized employees of Customer for the purpose of reviewing data provided by the Illinois Department of Revenue.

3. **PAYMENT TERMS.**

- 3.1 Customer shall compensate Azavar the fees set forth in this agreement on a contingency basis. If applicable, Azavar shall submit an invoice to Customer on a monthly basis detailing the amounts charged to Customer pursuant to the terms of this Agreement. Any invoice not disputed in writing by Customer within thirty (30) days after the receipt of such invoice shall be considered approved by the Customer. Customer shall remit payment to Azavar in accordance with the Local Government Prompt Payment Act. If Customer defaults on payment of any invoice that is not disputed in writing by Customer within thirty (30) days after the receipt of such invoice Azavar, at its discretion, may accelerate all payments due under this Agreement and seek recovery of all estimated fees due to Azavar based on Findings. Azavar shall be entitled to recover all costs of collection including, but not limited to, finance charges, interest at the rate of one percent (1%) per month, reasonable attorney's fees, court costs, and collection service fees and costs for any efforts to collect fees from the customer. Contingency payment terms are outlined below. If Customer negotiates, abates, cancels, amends, delays, or waives, without Azavar's written consent, any tax determination or Findings that were identified by Azavar or by its Audits where such Findings were allowed under the law at the time the tax determination or Findings were made, Customer shall pay to Azavar applicable contingency fees for the total said tax determination or Findings at the rates set forth below and for the following thirty-six (36) months. If Customer later implements during the subsequent thirty-six (36) months any Findings Customer initially declined based on Azavar programs or recommendations, Azavar shall be paid by Customer its portion of the savings and/or recoveries over the following thirty-six (36) months at the contingency fee rates set forth below.
- 3.2 Customer shall pay Azavar an amount equal to forty-five (45) percent of any new revenues or prospective funds recovered per account or per Provider for thirty-six (36) months following when funds begin to be properly remitted to the Customer. In the event Azavar is able to recover any retroactive funds, any additional savings or revenue increases for any time period, or any credits at any time, Customer will pay Azavar an amount equal to forty-five (45) percent of any retroactive funds, savings, and fair market value for any other special consideration or compensation recovered for or received by the Customer from any Provider. All contingency fees paid to Azavar are based on determinations of recovery by Azavar including Provider data and regulatory filings. All revenue after the subsequent thirty-six (36) month period for each account individually will accrue to the sole benefit of the Customer.
- 3.3 As it pertains to Customer utility service bill and cost Audits, Customer shall pay Azavar an amount equal to forty-five (45) percent of prospective savings approved by Customer for thirty-six (36) months following the date savings per Provider is implemented by Azavar or Customer. In the event Azavar is able to recover any refunds or any credits at any time, Customer will pay Azavar an amount equal to forty-five (45) percent of said refunds or credits recovered for or received by Customer from any Provider. All contingency fees paid to Azavar are based on determinations of savings by Azavar including Provider data and regulatory filings. All savings after the subsequent thirty-six (36) month period for each service provider individually will accrue to the sole benefit of the Customer.

#### **4. CONFIDENTIAL INFORMATION**

- 4.1 Each party acknowledges that in the performance of its obligations hereunder, either party may have access to information belonging to the other which is proprietary, private and highly confidential ("Confidential Information"). Each party, on behalf of itself and its employees, agrees not to disclose to any third party any Confidential Information to which it may have access while performing its obligations hereunder without the written consent of the disclosing party which shall be executed by an officer of such disclosing party. Confidential Information does not include: (i) written information legally acquired by either party prior to the negotiation of this Agreement, (ii) information which is or becomes a matter of public knowledge, (iii) information which is or becomes available to the recipient party from third parties where such third parties have no confidentiality obligations to the disclosing party; and (iv) information subject to disclosure under Illinois' Freedom of Information Act (5 ILCS 140/1 *et seq.*).
- 4.2 Azavar agrees that any work product or any other data or information that is provided by Customer in connection with the Services shall remain the property of Customer, and shall be returned promptly upon demand by Customer, or if not earlier demanded, upon expiration of the Services provided under the Statement of Work hereto.

#### **5. INTELLECTUAL PROPERTY**

- 5.1 No work performed by Azavar or any Consultant with respect to the Services or any supporting or related documentation therefor shall be considered to be a Work Made for Hire (as defined under U.S. copyright law) and, as such, shall be owned by and for the benefit of Azavar. In the event that it should be determined that any of such Services or supporting documentation qualifies as a "Work Made for Hire" under U.S. copyright law, then Customer will and hereby does assign to Azavar, for no additional consideration, all right, title, and interest that it may possess in such Services and related documentation including, but not limited to, all copyright and proprietary rights relating thereto. Upon request, Customer will take such steps as are reasonably necessary to enable Azavar to record such assignment. Customer will sign, upon request, any documents needed to confirm that the Services or any portion thereof is not a Work Made for Hire and/or to effectuate the assignment of its rights to Azavar.
- 5.2 Under no circumstance shall Customer have the right to distribute any software containing, or based upon, Confidential Information of Azavar to any third party without the prior written consent of Azavar which must be executed by a senior officer of Azavar.

#### **6. DISCLAIMER**

**EXCEPT AS EXPRESSLY PROVIDED IN THIS AGREEMENT, AZAVAR DOES NOT MAKE ANY WARRANTY, EXPRESS OR IMPLIED, WITH RESPECT TO THE SERVICES RENDERED UNDER THIS AGREEMENT OR THE RESULTS OBTAINED FROM AZAVAR'S WORK, INCLUDING, WITHOUT LIMITATION, ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. IN NO EVENT SHALL AZAVAR BE LIABLE FOR CONSEQUENTIAL, INCIDENTAL, SPECIAL, OR INDIRECT DAMAGES, OR FOR ACTS OF NEGLIGENCE THAT ARE NOT INTENTIONAL OR RECKLESS IN NATURE, REGARDLESS OF WHETHER IT HAS BEEN ADVISED OF THE POSSIBILITY OF SUCH DAMAGES. CUSTOMER AGREES THAT AZAVAR'S LIABILITY HEREUNDER FOR DAMAGES, REGARDLESS OF THE FORM OF ACTION, SHALL NOT EXCEED THE**

**TOTAL AMOUNT PAID FOR THE SERVICES GIVING RISE TO THE DAMAGES UNDER THE APPLICABLE ESTIMATE OR IN THE AUTHORIZATION FOR THE PARTICULAR SERVICE IF NO ESTIMATE IS PROVIDED.**

**7. TERMINATION**

- 7.1 Unless earlier terminated in accordance with Section 7.2 below, this Agreement shall be effective from the date first written above and shall continue thereafter until terminated upon 90 days written notice by Customer or Azavar.
- 7.2 Termination for any cause or under any provision of this Agreement shall not prejudice or affect any right of action or remedy which shall have accrued or shall thereafter accrue to either party.
- 7.3 The provisions set forth above in Section 3 (Payment Terms), Section 4 (Confidential Information), and Section 5 (Intellectual Property) and below in Section 9 (Assignment), and Section 10 (Use of Customer Name) shall survive termination of this Agreement.

**8. NOTICES. Any notice made in accordance with this Agreement shall be sent by certified mail or by overnight express mail:**

<u>If to Azavar</u>	<u>If to Customer</u>
General Counsel	_____
Azavar Audit Solutions, Inc.	_____
234 South Wabash Avenue, Sixth Floor	_____
Chicago, Illinois 60604	_____

- 9. **ASSIGNMENT.** Neither party may assign this Agreement or any of its rights hereunder without the prior written consent of the other party hereto, except Azavar shall be entitled to assign its rights and obligations under this Agreement in connection with a sale of all or substantially all of Azavar's assets.
- 10. **USE OF CUSTOMER NAME.** Customer hereby consents to Azavar's use of Customer's name in Azavar's marketing materials; provided, however, that Customer's name shall not be so used in such a fashion that could reasonably be deemed to be an endorsement by Customer of Azavar unless such an endorsement is provided by customer.
- 11. **COMPLETE AGREEMENT.** This Agreement, along with each Statement of Work attached hereto from time to time, contains the entire Agreement between the parties hereto with respect to the matters specified herein. The invalidity or unenforceability of any provision of this Agreement shall not affect the validity or enforceability of any other provision hereof. This Agreement shall not be amended except by a written amendment executed by the parties hereto. No delay, neglect or forbearance on the part of either party in enforcing against the other any term or condition of this Agreement shall either be, or be deemed to be, a waiver or in any way prejudice any right of that party under this Agreement. This Agreement shall be construed in accordance with the laws of the State of Illinois and the parties hereby consent to the jurisdiction of the courts of the State of Illinois.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed in duplicate originals by their duly authorized representatives as of the date set forth below.

AZAVAR AUDIT SOLUTIONS, INC.

CUSTOMER \_\_\_\_\_

By \_\_\_\_\_

By \_\_\_\_\_

Title \_\_\_\_\_

Title \_\_\_\_\_

Date \_\_\_\_\_

Date \_\_\_\_\_

## Exhibit "A"

Personal Property to be declared surplus:

### Planning Department Equipment:

Quantity	Asset Description	Condition
3	Wooden Chairs	Good
2	Plastic Chairs	Good
2	Chairs on Wheels	Poor
1	Small Table	Poor
2	Bottom of a Desk	Poor
2	Top of a Desk	Poor
4	Small Two Drawer Cabinets	Poor
1	Small Desk with Wheels	Poor
1	Large 1/2 of a Desk	Poor
1	Microwave Oven	Good
1	Coffee Pot	Good

### Fleet Division Equipment:

1 OTC Genisys Scanner, Serial #BEE38354620      Condition: Fair

### Other:

Series of Metal Lockers in basement of Central Fire Station      Condition: Fair

Numerous pieces of metal and metal panels from old Shooting Range located  
in basement of Central Fire Station      Condition: Fair

# CITY OF MOLINE, IL BID TABULATION

Bid Date and Time: April 15, 2014 11:00 a.m.



Project No. 1201 - 2014 Residential Resurfacing Program

**McCarthy Improvement  
Company**

**General Asphalt**

**Valley Construction  
Company**

ITEM NO.	ITEM	APPROX QUANTITY	UNIT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
1	Seeding Special Complete	1160	SY	\$3.40	\$3,944.00	\$2.10	\$2,436.00	\$5.00	\$5,800.00
2	Pavement Removal	4493	SY	\$7.00	\$31,451.00	\$13.06	\$58,678.58	\$9.00	\$40,437.00
3	HMA Surface Removal, 3"	10995	SY	\$3.25	\$35,733.75	\$4.47	\$49,147.65	\$5.00	\$54,975.00
4	PCC Surface Removal Butt Joint	173	SY	\$10.00	\$1,730.00	\$10.02	\$1,733.46	\$7.00	\$1,211.00
5	Class B Patch, 7"	500	SY	\$96.00	\$48,000.00	\$98.65	\$49,325.00	\$82.00	\$41,000.00
6	Polymerized Bituminous Materials Prime Coat	1583	GAL	\$3.50	\$5,540.50	\$5.21	\$8,247.43	\$3.50	\$5,540.50
7	Polymerized HMA Surface Course, Mix "D", N50, 2"	16140	SY	\$10.10	\$163,014.00	\$10.67	\$172,213.80	\$9.80	\$158,172.00
8	Polymerized HMA Binder Course, IL-19.0, N50, 2.5"	4493	SY	\$12.20	\$54,814.60	\$12.39	\$55,668.27	\$14.40	\$64,699.20
9	Polymerized Leveling Binder, MM, IL 4.75, N50, 1"	11647	SY	\$6.35	\$73,958.45	\$6.74	\$78,500.78	\$8.00	\$93,176.00
10	Temporary Ramp	180	SY	\$8.55	\$1,539.00	\$25.19	\$4,534.20	\$24.00	\$4,320.00
11	Mixture for Cracks, Joints, and Flangeways	100	TON	\$110.00	\$11,000.00	\$151.13	\$15,113.00	\$120.00	\$12,000.00
12	Aggregate Base Course, TY B, 6"	4493	SY	\$8.25	\$37,067.25	\$10.15	\$45,603.95	\$7.00	\$31,451.00
13	Geotechnical Fabric for Ground Stabilization	4493	SY	\$1.00	\$4,493.00	\$1.31	\$5,885.83	\$1.10	\$4,942.30
14	Combination Curb & Gutter Removal & Replacement	1889	LF	\$46.00	\$86,894.00	\$32.79	\$61,940.31	\$52.00	\$98,228.00
15	Sidewalk Removal	8137	SF	\$1.60	\$13,019.20	\$1.16	\$9,438.92	\$1.50	\$12,205.50
16	PCC Sidewalk, 4"	4898	SF	\$8.50	\$41,633.00	\$5.18	\$25,371.64	\$7.00	\$34,286.00
17	PCC Sidewalk, 4" Special with Retaining Wall	126	SF	\$16.00	\$2,016.00	\$26.45	\$3,332.70	\$16.00	\$2,016.00
18	PCC Sidewalk Ramp, 6"	3518	SF	\$13.00	\$45,734.00	\$9.52	\$33,491.36	\$10.00	\$35,180.00
19	Cast Iron Detectable Warning	813	SF	\$41.00	\$33,333.00	\$38.08	\$30,959.04	\$33.00	\$26,829.00
20	Thermoplastic Pavement Markings-Line 6" White	681	LF	\$1.90	\$1,293.90	\$1.76	\$1,198.56	\$1.80	\$1,225.80
21	Thermoplastic Pavement Markings-Line 12" White	465	LF	\$6.15	\$2,859.75	\$5.79	\$2,692.35	\$5.80	\$2,697.00
22	Pavement Marking Removal	53	SF	\$3.00	\$159.00	\$3.02	\$160.06	\$3.00	\$159.00
23	Manhole to be Adjusted w/new Frame and Lid	7	EA	\$1,400.00	\$9,800.00	\$979.29	\$6,855.03	\$890.00	\$6,230.00
24	Valve Vault to be Adjusted w/new Frame and Lid	2	EA	\$1,400.00	\$2,800.00	\$979.29	\$1,958.58	\$890.00	\$1,780.00
25	Valve Box to be Adjusted	2	EA	\$900.00	\$1,800.00	\$326.43	\$652.86	\$400.00	\$800.00
26	Cleanout to be Adjusted w/new Frame and Lid	7	EA	\$1,200.00	\$8,400.00	\$816.08	\$5,712.56	\$680.00	\$4,760.00
27	Traffic Control Complete	1	L.SUM	\$30,700.00	\$30,700.00	\$26,018.69	\$26,018.69	\$28,000.00	\$28,000.00
	<b>TOTAL:</b>				\$752,727.40		\$756,870.61		\$772,120.30

McCarthy Improvement Company had an original bid of \$752,809.40 an error was found on their schedule of prices. A corrected final bidder's proposal of \$752,727.40 is noted above

**Brandt Construction Co.**

ITEM NO.	ITEM	APPROX QUANTITY	UNIT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
1	Seeding Special Complete	1160	SY	\$5.00	\$5,800.00		\$0.00		\$0.00
2	Pavement Removal	4493	SY	\$12.00	\$53,916.00		\$0.00		\$0.00
3	HMA Surface Removal, 3"	10995	SY	\$4.90	\$53,875.50		\$0.00		\$0.00
4	PCC Surface Removal Butt Joint	173	SY	\$15.00	\$2,595.00		\$0.00		\$0.00
5	Class B Patch, 7"	500	SY	\$90.00	\$45,000.00		\$0.00		\$0.00
6	Polymerized Bituminous Materials Prime Coat	1583	GAL	\$5.00	\$7,915.00		\$0.00		\$0.00
7	Polymerized HMA Surface Course, Mix "D", N50, 2"	16140	SY	\$14.00	\$225,960.00		\$0.00		\$0.00
8	Polymerized HMA Binder Course, IL-19.0, N50, 2.5"	4493	SY	\$16.00	\$71,888.00		\$0.00		\$0.00
9	Polymerized Leveling Binder, MM, IL 4.75, N50, 1"	11647	SY	\$7.25	\$84,440.75		\$0.00		\$0.00
10	Temporary Ramp	180	SY	\$19.50	\$3,510.00		\$0.00		\$0.00
11	Mixture for Cracks, Joints, and Flangeways	100	TON	\$100.00	\$10,000.00		\$0.00		\$0.00
12	Aggregate Base Course, TY B, 6"	4493	SY	\$8.50	\$38,190.50		\$0.00		\$0.00
13	Geotechnical Fabric for Ground Stabilization	4493	SY	\$1.00	\$4,493.00		\$0.00		\$0.00
14	Combination Curb & Gutter Removal & Replacement	1889	LF	\$55.50	\$104,839.50		\$0.00		\$0.00
15	Sidewalk Removal	8137	SF	\$1.60	\$13,019.20		\$0.00		\$0.00
16	PCC Sidewalk, 4"	4898	SF	\$6.10	\$29,877.80		\$0.00		\$0.00
17	PCC Sidewalk, 4" Special with Retaining Wall	126	SF	\$15.00	\$1,890.00		\$0.00		\$0.00
18	PCC Sidewalk Ramp, 6"	3518	SF	\$10.00	\$35,180.00		\$0.00		\$0.00
19	Cast Iron Detectable Warning	813	SF	\$33.00	\$26,829.00		\$0.00		\$0.00
20	Thermoplastic Pavement Markings-Line 6" White	681	LF	\$2.00	\$1,362.00		\$0.00		\$0.00
21	Thermoplastic Pavement Markings-Line 12" White	465	LF	\$6.50	\$3,022.50		\$0.00		\$0.00
22	Pavement Marking Removal	53	SF	\$3.35	\$177.55		\$0.00		\$0.00
23	Manhole to be Adjusted w/new Frame and Lid	7	EA	\$1,100.00	\$7,700.00		\$0.00		\$0.00
24	Valve Vault to be Adjusted w/new Frame and Lid	2	EA	\$1,100.00	\$2,200.00		\$0.00		\$0.00
25	Valve Box to be Adjusted	2	EA	\$545.00	\$1,090.00		\$0.00		\$0.00
26	Cleanout to be Adjusted w/new Frame and Lid	7	EA	\$545.00	\$3,815.00		\$0.00		\$0.00
27	Traffic Control Complete	1	L.SUM	\$30,000.00	\$30,000.00		\$0.00		\$0.00
	<b>TOTAL:</b>				\$868,586.30		\$0.00		\$0.00

The above prices are "as read" and are subject to approval by the City of Moline Engineering Department.

Project #1198  
Parcel 07 7759-1

TEMPORARY CONSTRUCTION EASEMENT  
FOR  
CITY OF MOLINE, ILLINOIS

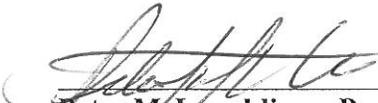
The undersigned owner:

**McLaughlin Motors, Inc., formerly known as McLaughlin Oldsmobile-Cadillac, Inc.** (hereinafter "Grantor"), in consideration of ONE DOLLAR and other good and valuable consideration, the consideration of which is hereby acknowledged, hereby grants to the City of Moline, Illinois, a municipal corporation ("Grantee"), the right of easement and the privilege to enter upon a portion of the tract of land commonly known as **4101 41st Street**, Moline, Illinois, which is more particularly described in Exhibit "A," attached hereto and made a part hereof by reference thereto, to do any necessary work for utility installation and maintenance, site grading and related work on said tract of land.

The above represents a TEMPORARY agreement and shall terminate thirty (30) days after completion of the above referenced project.

SIGNED AND DELIVERED this 10<sup>th</sup> day of April, 2014.

GRANTOR(S):

  
\_\_\_\_\_

**Peter McLaughlin as President,  
McLaughlin Motors, Inc., f/k/a McLaughlin Oldsmobile-Cadillac, Inc.**

\_\_\_\_\_  
Prepared by and return to:  
Law Department, City of Moline, 619 – 16<sup>th</sup> Street, Moline, IL 61265

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

I, Deanne K. Mahey, the undersigned, a Notary Public, in and for said County and State, aforesaid, DO HEREBY CERTIFY that **Peter McLaughlin**, personally known to me to be the **President of McLaughlin Motors, Inc., f/k/a McLaughlin Oldsmobile-Cadillac, Inc.** and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day, in person and acknowledged that as such President, he signed and delivered the said instrument as President of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation as their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 15th day of April,  
A.D. 2014.

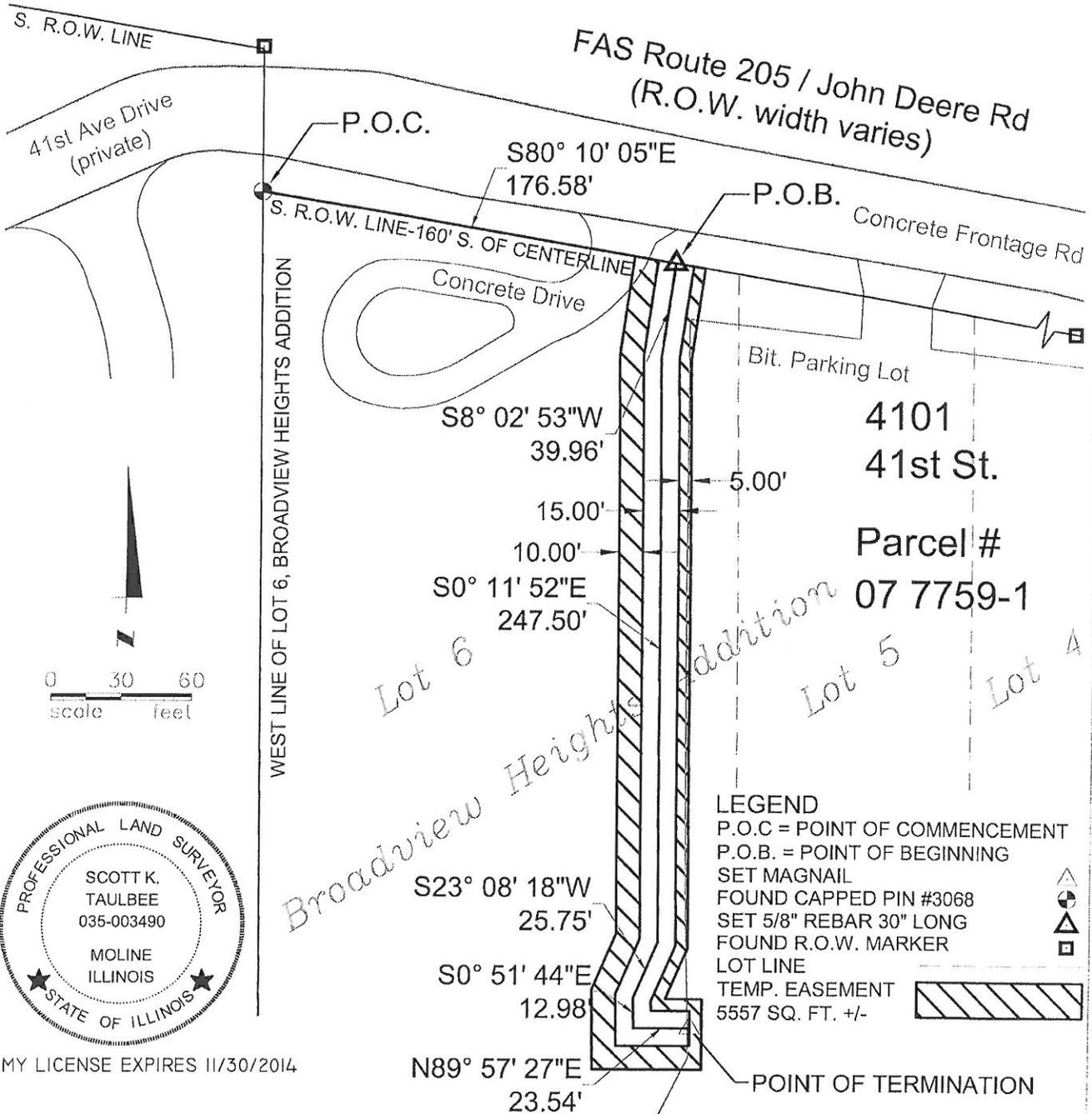


Deanne K. Mahey  
NOTARY PUBLIC

# EXHIBIT "A" SHEET 1 OF 2

## TEMPORARY CONSTRUCTION EASEMENT

Part of Lot 6 in Broadview Heights Addition to the City of Moline, located in the Northeast Quarter of Section 15, Township 17 North, Range 1 West of the Fourth Principal Meridian, Rock Island County, Illinois.



MY LICENSE EXPIRES 11/30/2014

DATE

SHEET 1 OF 2

I, SCOTT K. TAULBEE, ILLINOIS PROFESSIONAL LAND SURVEYOR NO. 035-003490, DO HEREBY STATE THAT THIS TEMPORARY CONSTRUCTION EASEMENT PLAT WAS PREPARED UNDER MY DIRECTION FROM FIELD AND RECORD INFORMATION, AND IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF. NO BOUNDARY SURVEY WAS PERFORMED FOR THE PREPARATION OF THIS EASEMENT PLAT.

CITY OF MOLINE  
 3635 4TH AVE  
 MOLINE, IL 61265  
 JOHN DEERE ROAD UTILITIES  
 NEAR 38TH STREET  
 PROJECT # 1198

H:\Engineering\ALL PROJECTS\1198 & 1199 - IL 5 Water Main Relocations & IL 5 Sanitary Sewer Relocations\Design\Survey\Survey\UDR-TaulbeeEasements-8-2-13.dwg, 3/12/2014 8:56:01 AM, 1:60

# EXHIBIT "A" SHEET 2 OF 2

## TEMPORARY CONSTRUCTION EASEMENT

Five-foot and 10-foot-wide strips of land adjacent to a 15 foot-wide strip of land in Lot 6 of Broadview Heights Addition to the City of Moline, located in the Northeast Quarter of Section 15, Township 17 North, Range 1 West of the Fourth Principal Meridian, Rock Island County, Illinois described as follows:

A strip of land 5 feet in width, east of and immediately adjacent to the following permanent utility easement, together with a strip of land, 10 feet in width, west and south of and immediately adjacent to said following permanent utility easement:

A strip of land, 15 feet in width, in Lot 6 in Broadview Heights Addition to the City of Moline, located in the Northeast Quarter of Section 15, Township 17 North, Range 1 West of the Fourth Principal Meridian, Rock Island County, Illinois, described as follows:

Commencing at a point on the south right of way line of F.A.S. Route 205 (John Deere Road) which is 160 feet south of the centerline of said Route and on the west line of Lot 6 in said Broadview Heights Addition; thence South 80 degrees 10 minutes 05 seconds East, 176.58 feet on said south right of way line to the **Point of Beginning** which is the Northerly point of the centerline of such 15-foot-wide strip, said centerline thence continuing South 08 degrees 02 minutes 53 seconds West, 39.96 feet; thence South 00 degrees 11 minutes 52 seconds East, 247.50 feet; thence South 23 degrees 08 minutes 18 seconds West 25.75 feet; thence South 00 degrees 51 minutes 44 seconds East, 12.98 feet; thence North 89 degrees 57 minutes 27 seconds East 23.54 feet to the point of termination.

This temporary construction easement contains 5557 square feet, more or less.

Parcel# 07 7759-1

SHEET 2 OF 2

CITY OF MOLINE  
3635 4TH AVE  
MOLINE, IL 61265

JOHN DEERE ROAD UTILITIES  
NEAR 38TH STREET  
PROJECT # 1198

Project #1198  
Parcel 07-7759-1

PERMANENT UTILITY AND DRAINAGE EASEMENT  
FOR  
CITY OF MOLINE, ILLINOIS

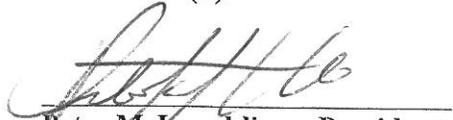
The undersigned owner:

**McLaughlin Motors, Inc., formerly known as McLaughlin Oldsmobile-Cadillac, Inc.** (hereinafter "Grantor"), in consideration of ONE DOLLAR and other good and valuable consideration, the consideration of which is hereby acknowledged, hereby grants to the City of Moline, Illinois, a municipal corporation ("Grantee"), the right of easement and the privilege to enter upon a portion of the tract of land commonly known as **4101 41st Street**, Moline, Illinois, which is more particularly described in Exhibit "A," attached hereto and made a part hereof by reference thereto, to do any necessary work for utility installation and maintenance, site grading and related work on said tract of land; provided that all grounds disturbed by Grantee, its agents or contractors, for any of the purposes aforesaid, within the easement or to Grantor's adjoining property, shall be restored by Grantee at Grantee's expense to the same condition as found within a reasonable time.

The above represents a permanent agreement and shall be binding upon current and future owners of said tract of land.

SIGNED AND DELIVERED this 10th day of April, 2014.

GRANTOR(S):



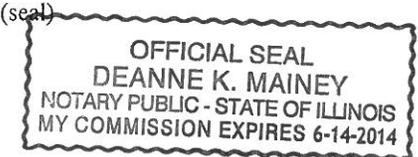
**Peter McLaughlin as President,  
McLaughlin Motors, Inc., f/k/a McLaughlin Oldsmobile-Cadillac, Inc.**

Prepared by and return to:  
Law Department, City of Moline, 619 – 16<sup>th</sup> Street, Moline, IL 61265

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

I, Deanne K. Mainey, the undersigned, a Notary Public, in and for said County and State, aforesaid, DO HEREBY CERTIFY that Peter McLaughlin, personally known to me to be the President of McLaughlin Motors, Inc., f/k/a McLaughlin Oldsmobile-Cadillac, Inc. and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day, in person and acknowledged that as such President, he signed and delivered the said instrument as President of said corporation, and caused the corporate seal of said corporation to be affixed thereto, pursuant to authority given by the Board of Directors of said corporation as their free and voluntary act, and as the free and voluntary act and deed of said corporation, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 10<sup>th</sup> day of April, A.D. 2014.

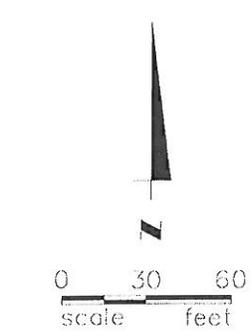
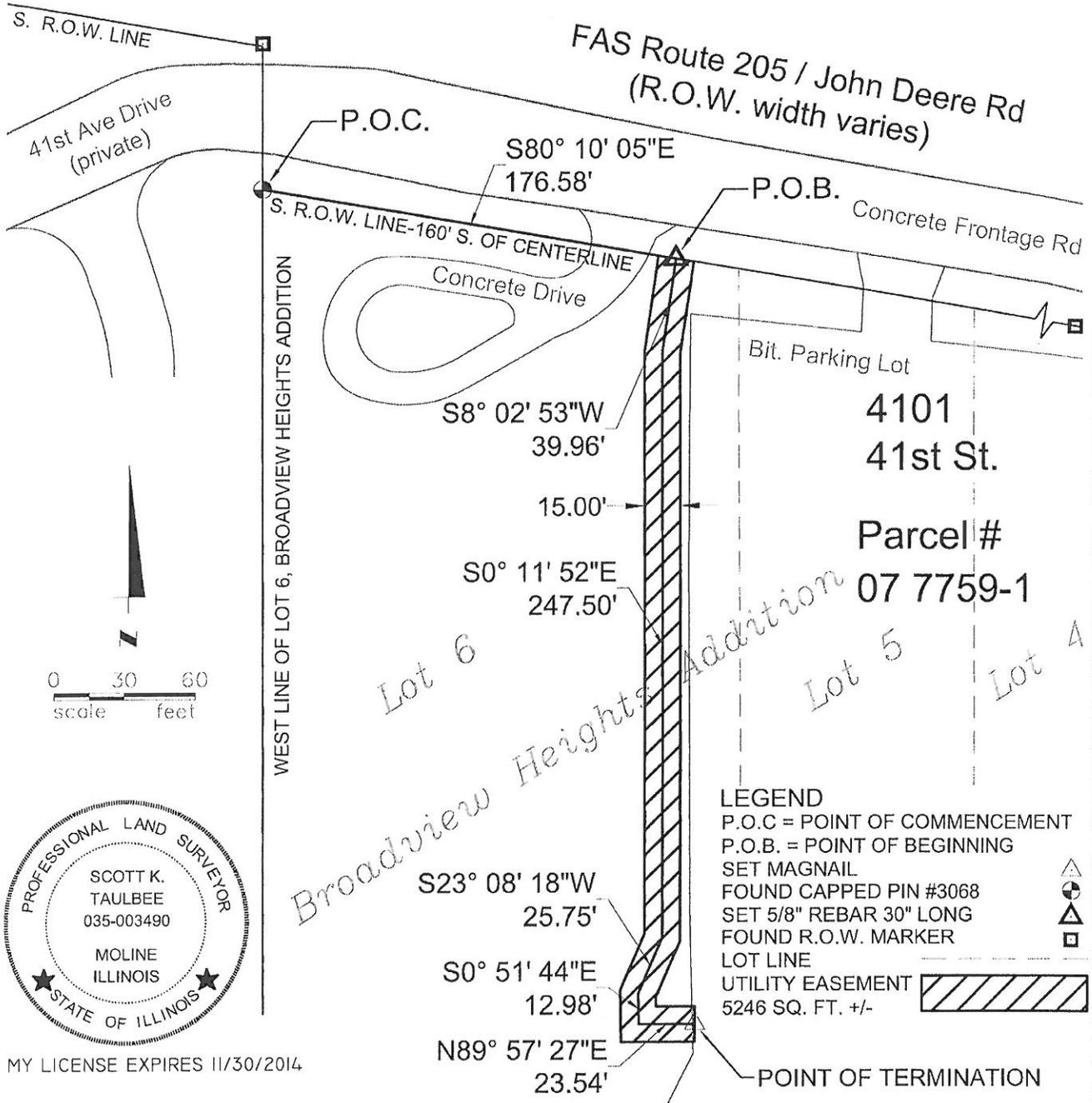


Deanne K. Mainey  
NOTARY PUBLIC

# EXHIBIT "A" SHEET 1 OF 2

## PERMANENT UTILITY EASEMENT

Part of Lot 6 in Broadview Heights Addition to the City of Moline, located in the Northeast Quarter of Section 15, Township 17 North, Range 1 West of the Fourth Principal Meridian, Rock Island County, Illinois.



MY LICENSE EXPIRES 11/30/2014

*Broadview Heights Addition*

Lot 6      Lot 5      Lot 4

4101  
41st St.  
Parcel #  
07 7759-1

- LEGEND**
- P.O.C = POINT OF COMMENCEMENT
  - P.O.B. = POINT OF BEGINNING
  - SET MAGNAIL
  - FOUND CAPPED PIN #3068
  - SET 5/8" REBAR 30" LONG
  - FOUND R.O.W. MARKER
  - LOT LINE
  - UTILITY EASEMENT
  - 5246 SQ. FT. +/-

DATE \_\_\_\_\_ SHEET 1 OF 2

I, SCOTT K. TAULBEE, ILLINOIS PROFESSIONAL LAND SURVEYOR NO. 035-003490, DO HEREBY STATE THAT THIS PERMANENT UTILITY EASEMENT PLAT WAS PREPARED UNDER MY DIRECTION FROM FIELD AND RECORD INFORMATION, AND IS TRUE AND CORRECT TO MY BEST KNOWLEDGE AND BELIEF. NO BOUNDARY SURVEY WAS PERFORMED FOR THE PREPARATION OF THIS EASEMENT PLAT.

CITY OF MOLINE  
3635 4TH AVE  
MOLINE, IL 61265

JOHN DEERE ROAD UTILITIES  
NEAR 38TH STREET  
PROJECT # 1198

H:\Engineering\ALL PROJECTS\1198 & 1199 - IL 5 Water Main Relocations & IL 5 Sanitary Sewer Relocations\Design\Survey\Survey\UDR-Taulbee\Easements-8-2-13.dwg, 3/11/2014 8:45:26 AM, 1:60

# EXHIBIT "A" SHEET 2 OF 2

## PERMANENT UTILITY EASEMENT

A strip of land, 15 feet in width, in Lot 6 in Broadview Heights Addition to the City of Moline, located in the Northeast Quarter of Section 15, Township 17 North, Range 1 West of the Fourth Principal Meridian, Rock Island County, Illinois, described as follows:

Commencing at a point on the south right of way line of F.A.S. Route 205 (John Deere Road) which is 160 feet south of the centerline of said Route and on the west line of Lot 6 in said Broadview Heights Addition; thence South 80 degrees 10 minutes 05 seconds East, 176.58 feet on said south right of way line to the **Point of Beginning** which is the Northerly point of the centerline of such 15-foot-wide strip, said centerline thence continuing South 08 degrees 02 minutes 53 seconds West, 39.96 feet; thence South 00 degrees 11 minutes 52 seconds East, 247.50 feet; thence South 23 degrees 08 minutes 18 seconds West 25.75 feet; thence South 00 degrees 51 minutes 44 seconds East, 12.98 feet; thence North 89 degrees 57 minutes 27 seconds East 23.54 feet to the point of termination.

This permanent utility easement contains 5246 square feet, more or less.

Parcel# 07 7759-1

SHEET 2 OF 2

CITY OF MOLINE  
3635 4TH AVE  
MOLINE, IL 61265

JOHN DEERE ROAD UTILITIES  
NEAR 38TH STREET  
PROJECT # 1198

H:\Engineering\ALL PROJECTS\1198 & 1199 - IL 5 Water Main Relocations & IL 5 Sanitary Sewer Relocations\Design\Survey\survey\DR-TauJeeEasements-8-2-13.dwg, 3/12/2014 9:18:50 AM, 1:60

Council Bill/Resolution No.: \_\_\_\_\_

Sponsor: \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Civil Engineer in the Public Works Department to sign permits granting EPA construction and operating permits for sanitary sewers, sewer system lift stations and water main extensions on behalf of the City of Moline.

\_\_\_\_\_

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF MOLINE, ILLINOIS, as follows:

That the Civil Engineer is hereby authorized to sign permits granting EPA construction and operating permits for sanitary sewers, sewer system lift stations and water main extensions on behalf of the City of Moline; provided said permits have been provided on approved forms and have met all requirements as set forth by the Engineering Division and Illinois Environmental Protection Agency.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

Passed: \_\_\_\_\_

Approved: \_\_\_\_\_

Attest: \_\_\_\_\_  
City Clerk

Approved as to form:

\_\_\_\_\_  
City Attorney

## **DEVELOPMENT AGREEMENT**

Between the

**CITY OF MOLINE**

and

**KJMC PROPERTIES, L.L.C.**

### **“SKINNERBLOCK DEVELOPMENT“**

THIS INDENTURE ("Agreement") made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2014, by and between the City of Moline, an Illinois Municipal Corporation ("City"), and KJMC Properties, L.L.C., an Iowa Limited Liability Company, duly registered to do business in the State of Illinois. ("Developer").

#### **WITNESSETH:**

WHEREAS, the City wishes to engage in certain lawful activities authorized by applicable law to assist private persons and entities in carrying out certain redevelopment activities which are identified in the Project Plan for the City's Tax Incremental Financing District (TIF) enacted pursuant to the Tax Increment Allocation Redevelopment Act, found generally at 65 ILCS 5/11-74.4-1 et. seq. (the "Act"); and

WHEREAS, the City wishes to enter into this Development Agreement with the Developer in order to facilitate redevelopment of the Property (as defined below) located at 1522 and 1524-1534 River Drive and 1529 3<sup>rd</sup> Avenue A; to be known as the Skinner Block Development; and

WHEREAS, the Redevelopment Project shall consist of the following elements:

- i. Developer to complete the purchase of the building at 1522 River Drive; Developer current record title owner of the following two (2) buildings located at 1524-1534 River Drive and 1529 3<sup>rd</sup> Avenue A; these three (3) properties are identified as parcel numbers: 08-5437-1, 08-5435 and 08-5436;
- ii. Rehabilitation of 1524-1534 River Drive into 12 apartments on the second and third floors, and rehabilitation of 1522 River Drive into a commercial space on the first floor and either 2 apartments or commercial use on the second floor;
- iii. Rehabilitation of 1529 3<sup>rd</sup> Avenue A into 8 apartments units on the second and third floors.

- iv. Commit to lease a minimum of 40 parking spaces at market rate from the City in the future when a parking structure is completed on adjacent property.

The foregoing elements of the Skinner Block Project shall hereinafter be collectively referred to as the "Redevelopment Project" unless individually identified; and

WHEREAS, the Redevelopment Project is to take place upon that certain real property described above as parcel numbers 08-5437-1, 08-5435 and 08-5436, which is more particularly described in Exhibit A, "Legal Description," attached hereto and incorporated herein by this reference thereto; and

WHEREAS, the City has made a commitment to identify and conserve those properties which serve as a visible reminder to the City's architectural and social history, thereby contributing to the cultural and economic vitality and livability of the City through the implementation of sound urban planning and design principles; and

WHEREAS, it is necessary for the successful completion of the Project that the City enter into this Development Agreement with Developer to provide for the redevelopment of the Property, thereby implementing the TIF Plan; and

WHEREAS, but for certain incentives to be provided by the City in accordance with the Act and pursuant to the home rule powers of the City, which the City is willing to provide under the terms and conditions contained herein, the Parties acknowledge and agree that but for the incentives, to be provided by the City as set forth herein, Developer cannot successfully and economically develop the Property substantially in conformance with the Redevelopment Project. The City has determined that it is desirable and in the City's best interests to assist Developer in the manner set forth herein and as this Development Agreement may be supplemented and amended from time to time; and

WHEREAS, the City wishes to assist private developers in carrying out projects that expand housing opportunities and create commercial enterprises in the City; and

WHEREAS, the City believes that the Redevelopment Project to be located on the Property and the fulfillment generally of the terms of this Agreement are in the vital and best interests of the City and its residents, and are in accord with its duty, authority, and the public purposes and conditions arising under the Act and all applicable state and local laws and requirements.

NOW, THEREFORE, in consideration of the foregoing recitals, the mutual covenants contained herein and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties do hereby stipulate, covenant, contract and agree as follows, to-wit:

**I. CITY'S AGREEMENT TO PROVIDE ASSISTANCE.**

The following sets forth the intentions, undertakings and contractual obligations and responsibilities of the City under this Agreement in accordance with the Development Timetable contained in Exhibit B, attached hereto and incorporated by reference herein:

- A. Maximum TIF Payment. The City's total payment paid from the net incremental real estate tax generated by the Redevelopment Project under this Section I shall not extend beyond December 31, 2021, which is the expiration of the property tax TIF district.

The estimated total project cost for the Redevelopment Project is Three Million Six Hundred Thousand Dollars (\$3,600,000). Fifteen percent (15%) of the total project cost equals Five Hundred Forty Thousand Dollars (\$540,000). In no event shall the maximum total assistance ever exceed Five Hundred Forty Thousand Dollars (\$540,000) distributed from the property tax rebate. In the event that the total project cost is less than the amount shown above, then fifteen percent (15%) of the reduced project cost will be the maximum amount paid to the Developer through the term of this Agreement. If, for example, the total project costs are twenty percent (20%) less than the amount shown above, then the total City rebate distributed from the property tax rebate will be reduced by twenty percent (20%).

Both parties acknowledge that the Tax Increment Financing District expires in 2021 and that there may not be the full increment generated prior to the expiration of the TIF to reach 15% of the total project cost. It is understood that the City is under no obligation to provide additional revenue sources to meet the 15% rebate indicated above.

- B. Property Tax Rebate. The City shall pay through its TIF Fund to Developer the net incremental annual real estate taxes once collected by the City as follows:

- 100%: 2014 – 2021 or until the final payment is made or the TIF District expires in 2021, it being understood that should the Maximum TIF Payment be paid prior to the dates listed on this schedule than no additional amount will be due or owing from the City. In no event will any payment be made after 2021.

The net incremental annual real estate taxes paid to the City shall be reimbursed to the Developer only to pay for eligible redevelopment expenses allowed under the Act (65 ILCS 5/11-74.4-3) as illustrated in Exhibit C, "TIF Eligible Expenses," attached hereto and incorporated herein by this reference, subject to the maximum identified in I.A. above.

The base year for computation purposes of the net incremental annual real estate taxes is agreed to be 2013, and the base Equalized Assessed Valuation (EAV) for the base year 2013 for parcels 08-5437-1, 08-5435 and 08-5436 is Three Hundred Seventy Thousand Eight Hundred Sixty Two Dollars (\$370,862). The property tax rebate period will start with assessment year 2013 and payment year 2014. The payment shall be from the incremental property tax generated solely by the Property, and paid to the City's TIF Account; the City shall remit to the Developer within thirty-days (30) after receipt of total annual payment into said City's TIF Account from Rock Island County. The Incremental Real Estate Taxes generated will be paid to the Developer for the particular year in question as set forth above.

Developer agrees to pay property taxes for the Property when due and payable and understands and agrees that failure to pay property taxes for the Property in a timely manner will render the City's rebate obligation null and void. Developer further agrees that the total rebate paid is limited to the increment generated by the project and paid to the City's TIF Account and may not be the amount identified in Section I.A. above. An illustrative example of the payments called for under this paragraph is shown in Exhibit D attached hereto and by this reference made a part hereof. The parties agree that the figures shown in Exhibit D are for illustrative purposes, and the actual payments to be made in any given year may be less than the amount shown or may be \$0 depending upon the actual experience.

- C. Parking. The City agrees to allow the tenants of the Skinner Block Development to park in the Visitor Parking Lots at 17<sup>th</sup> Street and River Drive (East Lot, referred to as Lot Z, being located at the southeast intersection of 17<sup>th</sup> Street and River Drive directly north of Washington Square Apartments as depicted on Exhibit E, and West Lot being located at 320 16<sup>th</sup> Street (the former Deere Collectors Center ), as well as connecting lot to the north just south of River Drive and the connecting lot to the west between the railroad tracks and the Historic Block Courtyard as depicted on Exhibit E). Exhibit E is attached hereto and incorporated herein by reference. At such time that a development is approved and construction is under way on the West Lot, the City agrees to provide temporary parking in nearby City-owned parking lots as depicted on Exhibit E, namely the adjacent Visitor Lots and East Lot (Lot Z). At such time as a permanent parking structure is completed, the City will provide a minimum of 40 parking spaces to the residents of the Skinner Block Development at market rate, which will be equal to the rate to be charged

to the general public to park in the parking structure on a long-term lease basis.

- D. Maximum Amount of Property Tax Rebate. Pursuant to 65 ILCS 5/11-74.4-3(q), the maximum amount of rebate shall not exceed the sum of all reasonable or necessary eligible expenses (see Exhibit C) incurred or incidental to the Redevelopment Plan and Redevelopment Project.
- E. Final Payment. Upon final payment of the amount specified in paragraph I.A., above, or upon making the final payment as specified in I.B. above, the City's obligations under this Agreement shall be fully paid and satisfied regardless of the total amount of payments actually received by the Developer.
- F. Interest. There shall be no interest charged to the City or due to the Developer pursuant to this Agreement at any time, and no interest shall ever be paid to the Developer from the City pursuant to this Agreement, irrespective of whether or not the City is delinquent or otherwise tardy in making payments required hereunder.
- G. Enterprise Zone Benefits. The City shall take no action to eliminate the Enterprise Zone while still authorized by statute for the benefit and duration of the Redevelopment Project by which means materials can be purchased for the construction of the Redevelopment Project without the imposition of sales tax and other economic benefits may be obtained under the Enterprise Zone guidelines as are available under the law. The City will cooperate and assist the Developer in its application for all Enterprise Zone benefits, if any, but the City does not warrant or assure or guarantee that any such benefits will be available to the Developer.
- H. Grants and Loan Applications. The City agrees to use its best efforts to support the Developer in applying to state and federal grant or loan programs that will enhance the Redevelopment Project.
- I. TIF Amendments. The parties expressly understand and agree that all payments provided for in the paragraphs set forth above shall be at all times subject to the requirements and restrictions of the Act.
- J. Lease of Outdoor Space. City shall lease to Developer, upon Developer's request, the unimproved real estate of 12 feet or less in width, so that no existing landscaping is affected, running along the west side of 1522 River Drive, Moline, Illinois (legally described as Tract III on Exhibit A). The Lease shall be for a five (5) year period and shall contain four (4) five-year options to renew, but in no case shall the Lease extend

beyond 2039. The premises to be leased from City to Developer shall be no greater than 12 feet wide east and west, but in no case shall the leased area encroach on existing landscaping, and shall run along and be the length of the north/south measurement of the west side of the existing building located at 1522 River Drive. The Developer or Developer's Tenant shall provide liability insurance in an amount not less than \$1,000,000.00, with City as an additional insured, and agree to maintain the insurance on the leased premises throughout the term of the Lease. The Developer or Developer's tenant shall be allowed to improve the leased premises for outdoor use with minimum improvements to be a concrete slab; entirely fenced in with only access through the building located at 1522 River Drive; with seasonal shelter improvements in the nature of a canopy/roof with a possibility of screened in area along the north, west and south sides of the leased premises. Developer and Developer's tenant may make additional improvements to extend the seasonal use of the leased premises using outdoor heaters, along with other reasonable improvements. City and Developer further agree that lease payments shall be originally determined either by agreement or by securing the written opinion of a licensed Illinois real estate appraiser having his office in Rock Island County, Illinois, to determine the appropriate square footage rental value of the leased premises. The City and Developer further agree that the Lease will contain options to renew as previously indicated, however, the rent payment for all future option periods shall be determined by revaluation of the appropriate per square foot lease payment by a licensed real estate appraiser as indicated above. If the Developer or Developer's tenant wants to serve alcoholic beverages at or on the demised premises, then, Developer/Tenant shall first have to apply for and secure all appropriate liquor licenses from the City of Moline and fully comply with the then existing Moline Liquor Ordinance. Nothing in this Agreement shall serve as approval of any liquor license on any of the premises referenced herein.

- K. Garbage Dumpsters. City agrees to provide to Developer an addition to the existing dumpster area in the southern edge of the parking lot west of the Arsenal Bridge ramp/Collector's Center as long as Developer coordinates with the City's Public Works Department as to the location, size and design, which will need to be consistent with the existing structure. Developer shall construct the addition at its sole cost and expense. Developer shall agree, by separate written agreement, to keep its assigned area clean and well-maintained and to assume sole responsibility for the specific area where its dumpster is located. Should the existing dumpster area need to re-located for any reason, City will

coordinate with Developer to find an alternative site that is acceptable to both parties.

## **II. DEVELOPER AGREEMENT TO DEVELOP PROPERTY.**

- A. Upon the execution of this Agreement, the Developer shall complete the Redevelopment Project substantially in accordance with the plans and specifications for the Redevelopment Project, which plans and specifications must be approved by the City prior to commencement of the Redevelopment Project (such approval may not unreasonably be withheld), as may be normal, customary or required in order to proceed with the Redevelopment Project, in accordance with all applicable rules, codes, regulations, ordinances and laws, including without limitation, the City's Design Build Management Team process through Renew Moline.
- B. Developer agrees to complete the following project elements in accordance with the Development Timetable attached hereto and incorporated herein by reference as Exhibit B:
- i. Purchase of the building at 1522 River Drive identified as parcel number 08-5437-1;
  - ii. Rehabilitation of 1524-1534 River Drive into 12 apartments on the second and third floors, and rehabilitation of 1522 River Drive into a commercial space on the first floor and 2 apartments on the second floor;
  - iii. Rehabilitation of 1529 3<sup>rd</sup> Avenue A into 8 apartments units on the second and third floors.
  - iv. Lease a minimum of 40 parking spaces from the City in the future when a parking structure is completed on adjacent property. (See paragraph I-C of this Agreement.)
- C. Code Compliance. To the best of the Developer's knowledge, the Redevelopment Project, as designed, is and shall be in full compliance with all applicable state and local laws and ordinances. Further, Developer warrants that the City Code Compliance Manager or Building Official and City Fire Department shall have approved all building plans submitted and agrees to follow all recommendations and requirements of the City Code and the City Code Compliance Manager or Building Official and Fire Chief.
- D. Assessed Valuation. Developer agrees not to appeal the annual assessed valuation of the Property as determined by the Moline

Township Assessor until the expiration of this TIF district, provided that any such assessment is consistent with that of comparable properties within the City's Tax Increment Financing District #1.

**III. CONDITIONS PRECEDENT TO CITY'S INCENTIVE PAYMENTS HEREUNDER.**

A. The Parties agree that the performance of their respective obligations set forth herein is specifically contingent upon the satisfaction and performance of the Developer having obtained debt and equity financing, or commitments for the same, in such amounts and having such financial terms as are reasonable and related to a fair market financing subject to the exercise of the Developer's discretion within sixty (60) days of the execution of this Agreement.

B. Prior to the disbursement of any TIF rebate payments, Developer shall provide documentation of the actual project cost incurred, which have been independently verified by a third party mutually agreed to by City and Developer, at Developer's expense. Failure to provide an independently verified accounting of project costs for purposes of calculating the TIF rebate payments pursuant to paragraphs I. A and I. B, preceding, shall constitute a breach of this Development Agreement and relieve the City of its obligation to make payments hereunder.

**IV. WARRANTIES OF THE CITY.**

The City represents and warrants to the Developer that it is empowered and authorized to execute and deliver this Agreement and to lend and deliver the assistance described herein upon proof of eligible "redevelopment project costs" pursuant to Section 5/11-74.4-3(q) of the Act, and to execute and deliver all other agreements and documents, if any, required hereunder to be executed and delivered by the City. This Agreement has been, and each such document at the time it is executed and delivered will be, duly executed and delivered on behalf of the City pursuant to its legal power and authority to do so. When executed and delivered to the Developer, all such agreements shall constitute a legal, valid, and binding obligation of the City, enforceable in accordance with the terms of all such agreements.

**V. WARRANTIES OF THE DEVELOPER.**

A. The Developer represents and warrants to the City that the Developer is an Iowa Limited Liability Company duly organized and existing under the laws of the State of Iowa and duly authorized to do business in the State of Illinois and that all proceedings of the Developer necessary to authorize the negotiation and execution of this Agreement and the consummation of the transaction contemplated by this Agreement have been taken in accordance with applicable law.

B. The Developer represents and warrants to the City that this Agreement has been duly authorized, executed, and delivered by the Developer, and will be enforceable against the Developer by its terms, except to the extent that such

enforceability shall be limited by bankruptcy, or solvency, or similar laws of general application affecting the enforcement of creditor rights, and by equitable principles.

C. The Developer represents and warrants to the City that the execution and delivery of this Agreement, and the consummation of the transactions contemplated in this Agreement will not violate any provision of its operating agreement or any other contract, agreement, court order or decree to which the Developer may be a party or to which the Developer may be subject, or any applicable federal or state law or municipal ordinance.

## **VI. DEVELOPER'S INDEMNIFICATION.**

The Developer shall indemnify and hold harmless the City, its agents, officers and employees against all injuries, deaths, losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise directly or indirectly from the failure of the Developer or any contractor, subcontractor or agent or employee thereof (so long as such contractor, subcontractor or agent or employee thereof is hired by the Developer) to timely pay any contractor, subcontractor, laborer or materialman, from any default or breach of the terms of this Agreement by the Developer, or from any negligence or reckless or willful misconduct of the Developer or any contractor, subcontractor agent or employee thereof (so long as such contractor, subcontractor or agent or employee is hired by the Developer or Developer's contractor). The Developer shall, at the Developer's sole cost and expense, appear, defend and pay all charges, attorneys' fees, costs and other expenses arising therefrom or incurred in connection therewith. If any judgment shall be rendered against the City, its agents, officers, officials or employees in any such action, the Developer shall, at the Developer's sole cost and expense, satisfy and discharge the same. This paragraph shall not apply, and the Developer shall have no obligation whatsoever, with respect to any acts of negligence or reckless or willful misconduct on the part of the City or any of its officers, agents, employees or contractors.

The City makes no representations or warranties as to whether or not the Illinois Prevailing Wage Act applies to this Project. Payment of Prevailing Wage and compliance with the Prevailing Wage Act, if required, is the sole responsibility of Developer, and/or its contractors and subcontractors. Developer agrees to indemnify and hold harmless the City and the agents, officers and employees thereof against all losses, damages, claims, suits, liabilities, judgments, costs and expenses (including any liabilities, judgments, costs and expenses and reasonable attorney's fees) which may arise from any claims pertaining to the Illinois Prevailing Wage Act.

## **VII. ENTIRE AGREEMENT.**

This document and exhibits hereto contain the entire agreement between the Developer and the City as to this Agreement and its burdens and benefits shall inure to the benefit of, and shall be binding upon the parties hereto or a memorandum thereof

and their respective heirs, executors, successors, and assigns. This Agreement or a memorandum thereof shall be recorded as set forth below, and may be modified only by written amendment signed by the Developer and the City, which amendment shall become effective upon recording by either party in the Recorder's Office in Rock Island County, Illinois.

#### **VIII. ASSIGNMENT.**

The Developer hereunder may assign the rights, duties, and obligations of the Developer only with the prior written consent of the City (which consent may not unreasonably be withheld). For the purposes of this paragraph, consent shall be deemed given by the City upon execution of this Agreement for any assignment to any person or entity having a verified net worth of not less than Five Million and No/100 Dollars (\$5,000,000.00). If a request for consent is not denied in writing on or before thirty (30) days after written request, such consent shall be deemed given.

#### **IX. SURVIVAL OF WARRANTIES AND REPRESENTATIONS.**

Any warranty, representation, or agreement herein contained shall survive the execution of the Agreement.

#### **X. NOTICE OF DEFAULT.**

In the event either party is in default hereunder (the "Defaulting Party"), the other party (the "Non-Defaulting Party") shall be entitled to take any action allowed by applicable law by virtue of said default provided that the Non-Defaulting Party first gives the Defaulting Party written notice of default describing the nature of the default, what action, if any, is deemed necessary to cure the same and specifying a time period of not less than thirty (30) days in which the default may be cured by the Defaulting Party.

#### **XI. REMEDIES UPON DEFAULT.**

A. If, in the City's judgment, the Developer is in default of this Agreement, the City shall provide the Developer with a written statement indicating in adequate detail any failure on the Developer's part to fulfill its obligations under this Agreement. Except as required to protect against further damages, the City may not exercise any remedies against the Developer in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as the Developer diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the City in asserting any of its rights or remedies as to any default or alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

B. If the Developer materially fails to fulfill its obligations under this Agreement after notice is given by the City and any cure periods described in Paragraph A above have expired or if all or a portion of any such agreement is terminated, the City may elect to terminate this Agreement or exercise any right or remedy it may have at law or in equity, including without limitation the right to specifically enforce the terms and conditions of this Agreement. If any voluntary or involuntary petition or similar pleading under any section or sections of any bankruptcy or insolvency act shall be filed by or against the Developer, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare the Developer insolvent or unable to pay the Developer's debts, or the Developer makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for the Developer or for the major part of the Developer's property, the City may elect, to the extent such election is permitted by law and is not unenforceable under applicable federal bankruptcy laws, but is not required, with or without notice of such election and with or without entry or other action by the City, to forthwith terminate this Agreement. To effect the City's termination of this Agreement under this Section XI.B., the City's sole obligation shall be to record, in the office of the Rock Island County Recorder, a Certificate of Default executed by the Mayor of the City or such other person as shall be designated by the City, stating that this Agreement is terminated pursuant to the provisions of this Section XI.B., in which event this Agreement by virtue of the recording of such certificate, shall *ipso facto* automatically become null and void and of no further force and effect.

C. If, in the Developer's judgment, the City is in material default of this Agreement, the Developer shall provide the City with a written statement indicating in adequate detail any failure on the City's part to fulfill its obligations under this Agreement. The Developer may not exercise any remedies against the City in connection with such failure until thirty (30) days after giving such notice. If such default cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as the City diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the Developer in asserting any right or remedy as to any default or any alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

D. In addition to any other rights or remedies, a party may institute legal action against the other party to cure, correct or remedy any default, or to obtain any other remedy consistent with the purpose of this Agreement, either at law or in equity, including, but not limited to the equitable remedy of an action for specific performance. Notwithstanding the foregoing, in the event either party shall institute and complete legal action against the other party because of a breach of any agreement or obligation

contained in this Agreement, the substantially prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in connection with such action.

E. The rights and remedies of the parties are cumulative and the exercise by a party of one or more of such rights or remedies shall not preclude the exercise by it, at the same time or different times, of any other rights or remedies for the same default or for any other default by the other party.

## **XII. NON-DISCRIMINATION.**

The Developer agrees that neither the Property nor any portion thereof, shall be sold to, leased, or used by the Developer in a manner to permit discrimination or restriction on the basis of race, creed, ethnic origin or identity, color, gender, sexual orientation, religion, marital status, age, handicap, or national origin, and that the development of and construction and operations on the Property shall be in compliance with all effective laws, ordinances, and regulations relating to discrimination on any of the foregoing grounds.

## **XIII. NOTICES.**

Any notice required or permitted hereunder shall be in writing, signed by the party giving the notice, and shall be deemed given when (a) hand delivered to the party to whom the notice is addressed; (b) mailed by certified mail, return receipt requested, United States mail, postage prepaid; or (c) delivered by overnight courier delivery service (i.e. Federal Express, UPS, etc.) and addressed to the party at the address shown as follows:

**TO CITY:** City Administrator and City Clerk  
619 16<sup>th</sup> Street  
Moline, IL 61265

**WITH A COPY TO:** City Attorney  
619 16<sup>th</sup> Street  
Moline, IL 61265

**TO DEVELOPER:** KJMC Properties, L.L.C.  
Attn: Christopher R. Townsend,  
Manager and Member  
2950 Mc Clellan Boulevard  
Davenport, IA 52803

**TO DEVELOPER:** Aaron Klosterman, Manager  
2950 Diamond Mill Circle  
Coralville, Iowa 52241

Any party may change the address to which notices shall be sent by notice given in accordance with the terms of this paragraph.

**XIV. COUNTERPARTS.**

This Agreement may be executed in any number of counterparts, each of which shall be deemed an original.

**XV. HEADINGS.**

Descriptive headings are for convenience only and shall not control or affect the meaning or construction of any provision of this Agreement.

**XVI. APPLICABLE LAW.**

This Agreement and each of its subparts and incorporated items thereto shall be interpreted under the laws of the State of Illinois and any action brought to enforce or interpret any of its provisions or otherwise involving this Agreement must be filed in a Rock Island County, Illinois, court of competent jurisdiction.

**XVII. 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 both parties, their respective heirs and assigns, as to such remaining terms.

**XVIII. 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.

**XIX. 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.

**XX. DELAYED EXECUTION.**

After this Agreement is approved by the Moline City Council and duly signed by the Mayor and attested by the City Clerk, the Developer shall have up to ten days (10) from that date to execute this Agreement, and this Agreement shall not be binding on the parties until duly executed by both parties.

**XXI. DISCLAIMER OF THIRD PARTY BENEFITS.**

The intentions, affirmations, authorizations and agreements between the parties hereto as expressed herein are approved solely by and between the parties hereto and

no other; and provided further, however, that neither and none of such intentions, affirmations, authorizations or agreements may be relied upon by any person or entity, to such entity or person(s) detriment, or for any reason whatsoever, whether third person or otherwise. Any such reliance or purported reliance as a third party beneficiary to this Agreement or predicated upon any other relationship to any of the parties hereto and each of them, whether real or alleged, is specifically disclaimed by the parties herein.

**XXII. TERM.**

This Agreement shall be in full force and effect from and after execution hereof by the last party to execute same and shall remain in full force and effect to and until the later of (i) December 31, 2021 and (ii) the final net incremental annual real estate property tax payment generated under the TIF Ordinances for TIF eligible Project costs have been received by Developer.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the dates set forth above their respective signatures.

**THE CITY OF MOLINE, ILLINOIS**

**KJMC Properties, L.L.C.**

DATED: \_\_\_\_\_

DATED: \_\_\_\_\_

By: \_\_\_\_\_  
Scott Raes, Mayor

By: \_\_\_\_\_  
Christopher R. Townsend

By: \_\_\_\_\_  
Aaron Klosterman

Attest: \_\_\_\_\_  
Tracy Koranda, City Clerk

Approved as to form:

\_\_\_\_\_  
Maureen E. Riggs, City Attorney

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 2014, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **Scott Raes and Tracy 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.

\_\_\_\_\_  
NOTARY PUBLIC

STATE OF \_\_\_\_\_ )  
  )     SS:  
COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2014, before me, a Notary Public in and for said County and State aforesaid, personally appeared **Christopher R. Townsend and Aaron Klosterman** to me personally known, who being by me duly sworn (or affirmed) did say that they are the Managers of **KJMC Properties, L.L.C.**, and that said instrument was signed on behalf of the Corporation; **Christopher R. Townsend and Aaron Klosterman** acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by him voluntarily executed.

\_\_\_\_\_  
NOTARY PUBLIC

**EXHIBIT A**  
**LEGAL DESCRIPTIONS**

**Tract I:** [1524-1534 River Drive, Moline, Illinois] The North Ninety-Five (95) feet of Lot One (1) and the North Ninety-Five (95) feet of the East One Quarter (E 1/4) of Lot Two (2) in Block Number Eighteen (18) in the Old or Original Town of Moline, situated in the City of Moline, in the County of Rock Island and State of Illinois. Moline Township Tax Parcel: 5435.

**Tract II:** [1529 -3<sup>rd</sup> Avenue A, Moline, Illinois] The West Half (W 1/2) of the East Half (E 1/2) of Lot Number Two (2) in Block Number Eighteen (18) in that part of the City of Moline known as and called the Old or Original Town of Moline, excepting the North 87.1 feet of said premises; situated in the County of Rock Island and the State of Illinois.

Also

The South Fifty-Five (55) feet of Lot Number One (1) and the South Fifty-Five (55) feet of the East Quarter of Lot Number Two (2), all in Block Number Eighteen (18), in that part of the City of Moline, known as and called the Old or Original Town of Moline, situated in Rock Island County, Illinois. Moline Township Tax Parcel: 5436.

**Tract III:** [1522 River Drive, Moline, Illinois] The North 87.1 feet of the West Half (W 1/2) of the East Half (E 1/2) of Lot Number Two (2) in Block Number Eighteen (18) in that part of the City of Moline, known as and called the Old or Original Town of Moline, situated in the County of Rock Island, State of Illinois. Moline Township Tax Parcel: 5437-1.

**EXHIBIT B**

**DEVELOPMENT TIMETABLE**

Close on 1522 River Drive property	4-15-2014
Begin Construction on 1522 River Drive, and 1524-1534 River Drive	Upon approval of Development Agreement by City Council
Start Lease Up of Phase I	11-1-2014
Begin Construction on 1529 3 <sup>rd</sup> Avenue A	Not later than 6 months after Phase I is fully leased
Start Lease Up of Phase II	6 months after commencement of Phase II construction

**EXHIBIT C**  
**TIF ELIGIBLE EXPENSES**

**Expenses as Permitted Pursuant to Section 5/11-74.4-3(q) of the Act:**

- Acquisition and other Property Assembly Costs
  
- Development Services Design and Engineering Services
  
- Legal/Appraisal
  
- Surveys and Environmental Reports Related to Property Assembly or Reconstruction, Remodeling, Repair, or Rehabilitation
  
- Reconstruction, rehabilitation, repair or remodeling
  
- And other items permitted by the Act

**EXHIBIT D  
ILLUSTRATIVE EXAMPLE OF REBATE**

Skinner Block			
ESTIMATED INCREMENT WORKSHEET			
3/31/2014			
Total Project Cost	\$ 3,600,000	\$ 2,725,000	Improvements
EAV Estimate at Completion	\$ 2,550,862	Fair Market Value (85% of project cost+existing EAV)	
	\$ 540,000	Rebate Amount (15% of Total Project Cost)	

ID #	Address	Total Fair Market Value (FMV)	EAV (2013)	"base" EAV (1986)	New EAV	*Project Increment	2013 Tax Rate 9.0085	Developmental Increment
1	5435 1524-1534 River Dr	\$1,725,000	\$ 130,372	\$ 20,986	\$ 575,000	\$ 444,628	9.0085	\$ 40,000
2	5436 1529 3rd Avenu A	\$1,188,750	\$ 193,335	\$ 67,380	\$ 396,250	\$ 202,915	9.0085	\$ 18,000
3	5437-1 1522 River Dr	\$277,500	\$ 47,155	\$ 22,642	\$ 92,500	\$ 45,345	9.0085	\$ 4,000
		\$ 2,550,862	\$ 370,862	\$ 111,008	\$ 1,063,750	\$ 692,888		\$ 62,000

**REBATE ESTIMATE WITH REVISED SCHEDULE**

No. Of Yrs.	Assmt Yr	Payable Yr	Net Prop. Tax Incr.	Prop. Tax Rebate	% Dev'r. PTX Rebate
1	2014	2015	\$7,356.54	\$7,356.54	100%
2	2015	2016	\$44,139.22	\$44,139.22	100%
3	2016	2017	\$63,301.60	\$63,301.60	100%
4	2017	2018	\$64,567.63	\$64,567.63	100%
5	2018	2019	\$65,858.98	\$65,858.98	100%
6	2019	2020	\$67,176.16	\$67,176.16	100%
7	2020	2021	\$68,519.69	\$68,519.69	100%
8	2021	2022	\$69,890.08	\$69,890.08	100%
<b>Total</b>			<b>\$450,809.90</b>	<b>\$450,809.90</b>	

**2014 Rebate**

Assumption that there will be 2 months on the assessment for 2014

5435 1524-1534 River Dr	\$1,725,000	\$ 130,372	\$ 20,986	\$ 575,000	\$ 444,628	9.0085	\$ 6,675
5437-1 1522 River Dr	\$277,500	\$ 47,155	\$ 22,642	\$ 92,500	\$ 45,345	9.0085	\$ 680
							\$ 7,356

