



# MOLINE CITY COUNCIL AGENDA

Tuesday, April 5, 2016

6:30 p.m.

(Immediately following the Committee-of-the-Whole meeting)

City Hall

Council Chambers – 2<sup>nd</sup> Floor

619 16th Street

Moline, IL

Call to Order

Pledge of Allegiance

Invocation – Alderman Schoonmaker

Roll Call

Consent Agenda

All items under the consent agenda will be enacted by one motion. There will be no separate discussions of these items unless a Council Member so requests, in which case, the item will be moved from the Consent Agenda and considered as the first item after the Omnibus Vote.

COUNCIL MEMBER	PRESENT	ABSENT
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Schoonmaker		
Liddell		
Acri		
Mayor Raes		

Approval of Minutes & Appointments Made

Committee of the Whole and Council meeting minutes of March 22, 2016, Committee of the Whole meeting minutes of March 29, 2016 and appointments made during Committee of the Whole on April 5, 2016.

Second Reading Ordinances

**1. Council Bill/General Ordinance 3008-2016**

**An Ordinance amending Chapter 20, “MOTOR VEHICLES AND TRAFFIC,” of the Moline Code of Ordinances, Appendix 10 thereof, “PARKING PROHIBITED AT ANY TIME,” by removing 48<sup>th</sup> Street, on the west side, from 11th Avenue A to 12th Avenue.**

**Explanation:** Traffic Committee reviewed request and recommends approval.

**Fiscal Impact:** N/A

**Public Notice/Recording:** N/A

**2. Council Bill/Special Ordinance 4013-2016**

**A Special Ordinance authorizing the Mayor and City Clerk to execute a Loan Agreement with Moline Promenade Investors, LLC to facilitate the Multi Modal Station development project and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreement.**

**Explanation:** The City wishes to enter into a Loan Agreement with Moline Promenade Investors, LLC to facilitate the Multi Modal Station development project. The City entered into a Development Agreement with Moline Promenade Investors, LLC which was intended to attract users to the Multi Modal Station for transportation purposes as well as for other commercial and retail opportunities by way of Special Ordinance No. 4056-2013. In an effort to facilitate the timely completion of the project, the City will provide the developer economic assistance in the form of an 18-month loan, in an amount not to exceed \$2,100,000. The developer will pay .25% interest rate higher than City’s interest rate being charged by bank. The developer will provide to the City an executed mortgage and promissory note; the developer will seek historic tax credits, and new market tax credits and/or permanent financing from a private lender after project construction completion in order to pay off the loan to the City. The developer will also execute a personal guaranty in the amount of \$2,100,000 for repayment to the City.

**Fiscal Impact:** \$2,100,000 + interest

**Public Notice/Recording:** N/A

**Resolutions**

**3. Council Bill/Resolution 1042-2016**

**A Resolution authorizing the Mayor and City Clerk to execute a contract with Walter D. Laud, Inc. for Motor Fuel Tax Section 16-00000-00-GM, 2016 Pavement Patching Program, in the amount of \$1,307,193.75.**

**Explanation:** Bids were opened and publicly read on March 15, 2016, for MFT Section 16-00000-00-GM with the following results:

\$1,307,193.75	Walter D. Laud, Inc.
\$1,358,780.00	Centennial Contractors of the Quad Cities, Inc.
\$1,615,765.00	Valley Construction Company

Walter D. Laud, Inc. submitted the lowest responsible and responsive bid. Additional documentation attached.

**Fiscal Impact:** Funds are budgeted and available as follows:

ACCOUNT	BUDGETED	AS-BID	
MFT	\$900,000.00	\$900,000.00	220-9846-436.08-10
Water	\$230,000.00	\$263,815.75	310-1716-434.04-25
WPC	\$125,000.00	\$145,000.00	320-1840-433.04-25
Storm			
	\$1,255,000.00	\$1,307,193.75	

**Public Notice/Recording:** N/A

**4. Council Bill/Resolution 1043-2016**

**A Resolution authorizing approval of a Resolution for Improvement by Municipality under the Illinois Highway Code for Motor Fuel Tax Section 16-00000-00-GM, 2016 Pavement Patching Program.**

**Explanation:** A Resolution for Improvement is necessary to use Motor Fuel Tax funds for the City of Moline’s Pavement Patching Program at various locations. Additional documentation attached.

**Fiscal Impact:** \$900,000.00 is budgeted in account #220-9846-436.08-10

**Public Notice/Recording:** N/A

**5. Council Bill/Resolution 1044-2016**

**A Resolution authorizing approval of a Memorandum of Understanding with the Illinois Department of Transportation Related to the Proposed Streetscaping on the I-74 Bridge Project.**

**Explanation:** At the City of Moline’s request, the plans for the proposed I-74 Bridge project will include landscaping and other aesthetic improvements intended to soften the appearance of an interstate highway system through the downtown area. Since most of the decorative improvements will be under the new bridge where there is lack of sufficient sunlight to promote vegetative growth, most of the improvements will include colored, decorative aggregates which require minimal maintenance. This Memorandum of Understanding confirms that the City of Moline will retain maintenance responsibilities for the landscaping elements. This responsibility will be further defined as part of a future Joint Agreement with the Illinois Department of Transportation related to Moline’s responsibilities in to the I-74 Bridge project. Additional documentation attached.

**Fiscal Impact:** There is no Fiscal Impact at this time. Funds will be required in the future for maintenance and/or replacement as needed.

**Public Notice/Recording:** N/A

**Omnibus Vote**

**Non - Consent Agenda Resolutions**

OMNIBUS VOTE		
Council Member	Aye	Nay
Schoonmaker		
Liddell		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

**6. Council Bill/Resolution 1045-2016**

**A Resolution authorizing General Constructors, Inc. of the Quad Cities to install decorative fencing on the 12<sup>th</sup> Street Retaining Wall for Project #1194, 12<sup>th</sup> Street Retaining Wall Replacement.**

**Explanation:** General Constructors proposes to install 240 linear feet of decorative Ameristar Montage Majestic decorative fencing on the top of the 12<sup>th</sup> Street Retaining Wall. The fence will be black, 42” tall, and contain 3-rail panels with extended pickets and 4” standard picket spacing. The approximate price of the proposed fencing is \$10,000.00. The final purchase price of the decorative fencing will be included in the final change order for Project #1194. Additional documentation attached.

**Fiscal Impact:** Funds are available in account #510-9965-438.08-43

**Public Notice/Recording:** N/A

CB 1045		
Council Member	Aye	Nay
Schoonmaker		
Liddell		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

**First Reading Ordinances**

**7. Council Bill/General Ordinance 3009-2016**

**An Ordinance amending Chapter 15, “GARBAGE AND TRASH,” of the Moline Code of Ordinances, Section 15-2101, “AUTOMATED TIPPER CARTS,” by repealing subsection (a) in its entirety and enacting in lieu thereof one new subsection (a) dealing with the same subject matter; and Section 15-2201, “PREPARATION AND COLLECTION OF RESIDENTIAL REFUSE,” by repealing subsections (d) and (d)(2) in their entirety and enacting in lieu thereof new subsections (d) and (d)(2) dealing with the same subject matter.**

**Explanation:** The City provides one automated tipper cart at no cost to each Moline residence and to each unit of a residential building consisting of five dwelling units or less. A second and/or additional cart may be requested by the property owner or occupant of the residence and will be provided by the City upon prepayment of \$63.60 per cart. The cost to the City for each cart has recently increased from \$63.60 to \$78.96 per cart, a difference of \$15.36 per cart. In addition, at the March 8, 2016 Committee-of-the-Whole meeting, the Council agreed to offer an optional yard waste cart program to collect yard waste as an alternative to the yard bags currently used. Offering a voluntary yard waste cart program will provide residents with another option for the disposal of their yard waste.

**Fiscal Impact:** Recover total costs of additional carts to residents and generate revenue for the Sanitation Fund.

**Public Notice/Recording:** N/A

**8. Council Bill/Special Ordinance 4014-2016**

**A Special Ordinance authorizing the Mayor and City Clerk to execute an Agreement for Sale of Real Estate and do all things necessary to convey the City-owned property at 600 8<sup>th</sup> Street, Moline, known as One Moline Place Phase III/Hawk Hollow to B. M. Bagby, Inc.**

**Explanation:** The City acquired the property at 600 8<sup>th</sup> Street, Moline, known as One Moline Place Phase III/Hawk Hollow, as part of the One Moline Place Development and by way of Community Development Block Grant Funds has completed infrastructure on the property for development. The City issued a Request for Proposals to recruit a developer to complete this Phase of the Development and B. M. Bagby, Inc. (Purchaser) has agreed to purchase the property from the City for \$108,000 pursuant to the terms of an Agreement for Sale of Real Estate and agrees to construct five (5) multi-unit, two-story townhouse buildings over the next five (5) years. Additional documentation attached.

**Fiscal Impact:** +\$108,000 Account No: 244-0000-392.20-00

**Public Notice/Recording:** N/A

**9. Council Bill/Special Ordinance 4015-2016**

**A Special Ordinance authorizing the Mayor and City Clerk to execute a Performance Based Development Agreement between the City of Moline and KAS Company, Inc. for the “Autumn Trails” project and to execute any necessary agreements referenced therein, and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreement.**

**Explanation:** KAS Company, Inc. seeks to enter into a Performance Based Development Agreement with the City to facilitate redevelopment of the property consisting of the following properties: (08)9429, 220 12th Avenue; (08)9430, 224 12th Avenue; (08)9431, 230 12th Avenue; (08)9432, 234 12th Avenue; (08)9433, 238 12th Avenue; (08)9434, 244 12th Avenue; (08)9435, 247 12th Avenue; (08)9436, 243 12th Avenue; (08)9437, 239 12th Avenue; (08)9438, 235 12th Avenue; (08)9439, 231 12th Avenue; (08)9446, 280 12th Avenue; (08)9445, (Lot 33); and Outlots A, B and C, inclusive, known as the Autumn Trails. The Project will consist of Developer seeking a clear title to the property, paying all delinquent property taxes, completing the reconstruction, rehab, repair of the two unoccupied units, and completing the development which contains nine additional units. The City wishes to support the redevelopment by granting certain incentives to include TIF. Additional documentation attached.

**Fiscal Impact:** N/A  
**Public Notice/Recording:** N/A

**10. Council Bill/Special Ordinance 4016-2016**

**A Special Ordinance closing certain streets more particularly described herein to vehicular traffic and authorizing the use of public right-of-way in conjunction with the Kiwanis Bags Tournament scheduled for Saturday, April 23, 2016.**

**Explanation:** This is an annual event and has been approved by the Special Event Committee.

**Fiscal Impact:** N/A  
**Public Notice/Recording:** N/A

**11. Council Bill/Special Ordinance 4017-2016**

**A Special Ordinance authorizing the Mayor and City Clerk to execute an Agreement and Estoppel between the City of Moline, Heritage Place Associates, LLC and CMFG Life Insurance Company.**

**Explanation:** In 2006, Heritage Place Associates, LLC purchased the property at 1515 5<sup>th</sup> Avenue, Moline, now known as the Heritage Place Office Building, from HDC, Inc. To facilitate that sale, the City approved assignments of certain agreements previously executed by and between the City and HDC, to transfer HDC’s right, title and interest in and to the agreements to Heritage; those agreements include a still current lease agreement dated May 13, 1991, and amended July 2, 1991, that provides a leasehold interest in the property’s adjacent parking garage to Heritage. The City also approved and executed an agreement and estoppel between the City, Heritage and its lender as an inducement to the lender to provide a loan to Heritage for the property purchase. For purposes of refinancing, Heritage has now requested that the City execute a similar agreement and estoppel between the City, Heritage and its new lender, CMFG Life Insurance Company (“CMFG”), as an inducement to the lender to provide a loan to Heritage, which will be secured in part by a lien granted by Heritage upon its rights and interests under the lease agreement. Additional documentation attached. *CONSIDERATION REQUESTED.*

**Fiscal Impact:** N/A  
**Public Notice/Recording:** N/A

Consideration		
Council Member	Aye	Nay
Schoonmaker		
Liddell		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

CB 4016		
Council Member	Aye	Nay
Schoonmaker		
Liddell		
Acri		
Rodriguez		
Parker		
Wendt		
Zelnio		
Turner		
Mayor Raes		

**Miscellaneous Business (if necessary)/Public Comment/Executive Session (if necessary)**

Council Bill/General Ordinance No. 3008-2016

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

AN ORDINANCE

AMENDING Chapter 20, "MOTOR VEHICLES AND TRAFFIC," of the Moline Code of Ordinances, Appendix 10 thereof, "PARKING PROHIBITED AT ANY TIME," by removing 48<sup>th</sup> Street, on the west side, from 11<sup>th</sup> Avenue A to 12<sup>th</sup> Avenue.

\_\_\_\_\_

WHEREAS, a request to permit parking at the above designated location was received and reviewed by the Traffic Committee on March 1, 2016; and

WHEREAS, the request meets the criteria for designating a location as parking permitted.

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

**Section 1** – That Chapter 20, "MOTOR VEHICLES AND TRAFFIC," of the Moline Code of Ordinances, Appendix 10 thereof, "PARKING PROHIBITED AT ANY TIME," is hereby amended by removing 48<sup>th</sup> Street, on the west side, from 11<sup>th</sup> Avenue A to 12<sup>th</sup> Avenue.

**Section 2** – That pursuant to Section 1-1107 of the Moline Code of Ordinances, any person, firm or corporation violating any of the provisions of this ordinance shall be fined not more than seven hundred fifty dollars (\$750.00) for each offense.

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

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

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

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

Approved as to Form:

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

Council Bill/Special Ordinance No. 4013-2016

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

A SPECIAL ORDINANCE

AUTHORIZING the Mayor and City Clerk to execute a Loan Agreement between the City of Moline and Moline Promenade Investors, LLC to facilitate the Quad Cities Multi-Modal Station and Element Hotel Development Project; and

AUTHORIZING all appropriate City officers and staff to do all things necessary to complete each of the City's responsibilities pursuant to said agreement.

\_\_\_\_\_  
WHEREAS, the City entered into a Development Agreement with Moline Promenade Investors, LLC ("Developer") for the Quad Cities Multi-Modal Station project ("Project") in November 2013; and

WHEREAS, the agreement provided, in part, that Developer would renovate the former O'Rourke Building into an extended stay hotel and retail and commercial outlets; and

WHEREAS, in an effort to facilitate the timely redevelopment of the project, the City wishes to enter into a Loan Agreement with Developer to ensure the Project is completed according to required deadlines; and

WHEREAS, the City will provide the developer economic assistance in the form of an 18-month loan, in an amount not to exceed \$2,100,000, the Developer will pay .25% interest rate higher than City's interest rate being charged by bank; and

WHEREAS, the Developer will seek historic tax credits and new market tax credits and/or permanent financing from a private lender after project construction completion in order to pay off the loan to the City; and

WHEREAS, the City believes the Project is in the vital and best interests of City and its residents, and is in accord with its duty, authority, and the public purposes and conditions arising under applicable state and local laws and requirements; and

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

**Section 1** – That the Mayor and City Clerk are hereby authorized to execute a Loan Agreement between the City of Moline and Moline Promenade Investors, LLC to facilitate the Quad Cities Multi-Modal Station and Element Hotel Development Project; provided, however, that said Loan Agreement is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

**Section 2** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

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

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

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

Approved as to Form:

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

# LOAN AGREEMENT

CITY OF MOLINE  
and  
Moline Promenade Investors, LLC

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## Article 1.0 IDENTIFICATION OF PARTIES

This Agreement entered into as of this \_\_\_\_\_ day of \_\_\_\_\_, 2016, between the City of Moline (hereinafter referred to as the City) and Moline Promenade Investors, LLC, an Illinois limited liability company (hereinafter referred to as the Borrower).

## Article 2.0 STATEMENT OF PURPOSE

WITNESSETH THAT:

WHEREAS, the City received federal and state funds for the construction of a Multi-Modal Station (MMS) for Amtrak service to the Quad Cities; and

WHEREAS, the O'Rourke Building, a six-story warehouse located on a 1.28 acre parcel at 12<sup>th</sup> Street and 4<sup>th</sup> Avenue, has been designated as the location for the MMS; and

WHEREAS, the City and MetroLINK are constructing and renovating public spaces in the MMS; and

WHEREAS, the City and Borrower entered into a Development Agreement dated November 12, 2013, for the private development and construction of the non-public portions of the MMS, which includes portions of the first floor and all upper floors of the O'Rourke Building; and

WHEREAS, the Borrower has and will incur certain expenses associated with the project and seeks gap financing in furtherance of the project.

NOW, THEREFORE, the City and the Borrower hereby mutually agree as follows:

## Article 3.0 TERMS OF THE LOAN

- 3.1 Amount of Loan. It is expressly understood and agreed that the amount to be loaned to the Borrower by the City shall not exceed **Two Million One Hundred Thousand and 00/100 Dollars (\$2,100,000.00)**. Such loan will be evidenced by separate Promissory Note, and secured by two Personal Guarantees, and by a Mortgage executed by the Borrower and in favor of the City, which documents are hereby made part of this Agreement by reference.
- 3.2 Loan Rate. All funds loaned to Borrower shall be at an interest rate that is one quarter of one percent greater than the variable interest rate charged by City's lender. For illustrative purposes only, if the City's lender charges the City 3.00% interest, then the interest rate that the City will charge Borrower is 3.25%.
- 3.3 Loan Term. The City and Borrower agree that the term of the loan shall be eighteen (18) months.
- 3.4 Loan Disbursement. The City shall disburse to Borrower up to the total principal sum of Two Million One Hundred Thousand and 00/100 Dollars (\$2,100,000.00) only pursuant to written draw requests submitted by Borrower. The City's disbursements shall be in conjunction with a disbursement from Borrower's primary lender, with the primary lender disbursing 70% of the draw request and the City disbursing 30% of the draw request. The amount disbursed by the City shall be in direct proportion to the amount Borrower requests from its primary lender. With each written draw request to the City, Borrower must submit a copy of its draw request, and all accompanying documentation, to its primary lender. Borrower also agrees to complete and sign any other documents that the City may require for a disbursement. By way of example, and for illustrative purposes only, if Borrower's first draw request is for \$100,000.00, then the primary lender will disburse \$70,000.00 and the City will disburse \$30,000.00.

3.5 Repayment of Loan. The Borrower will make monthly interest payments for the term of the loan, with payment of the outstanding principal balance and any remaining interest due at the end of the Loan Term. The first interest payment will be due thirty (30) days from the first billing cycle that loan proceeds are drawn. The City's Finance Director shall send a bill to Borrower each month for the current monthly interest payment, which shall be calculated on the outstanding balance. Each monthly interest only payment will then be due thirty (30) days after each billing cycle. Payments will be made to the City of Moline Finance Office at 1630 8<sup>th</sup> Avenue, Moline, IL 61265.

Borrower further agrees to pay the sale proceeds of any and all tax credits, including but not limited to new market tax credits and historic tax credits, to the City as repayment of the loan. Borrower also agrees that when it obtains permanent financing it will make repayment of this loan in full, if any amount remains owing. Borrower may make payment by any other means as well.

3.6 Prepayment of Loan. The outstanding principal of the loan may be prepaid by the Borrower at any time without penalty.

#### **Article 4.0 STATEMENT OF WORK AND SERVICES**

The Borrower shall use the loan proceeds for the private development and construction of the non-public portions of the MMS, which includes portions of the first floor and all upper floors of the O'Rourke Building.

#### **Article 5.0 COMPLIANCE WITH APPLICABLE LAWS**

The Borrower assumes the responsibility to observe and comply with all federal, state and local laws, ordinances and regulations in any manner affecting the conduct of this Agreement.

#### **Article 6.0 CONSTRUCTION SUPERVISION AND INSPECTION**

If this loan is used for construction projects, the Borrower will provide and maintain competent and adequate architectural engineering supervision and inspection at the construction site to ensure that the completed work conforms to the approved plans and specifications; that it will furnish progress reports and other such information as the City may require.

#### **Article 7.0 AUDITING**

The Borrower shall permit the authorized representative of the City to inspect and/or audit the records of the Borrower relating to its performance under the Agreement.

#### **Article 8.0 TERMINATION**

If the Borrower shall fail to fulfill its obligations under this Agreement, or if the Borrower shall violate any of the covenants, agreements or stipulations of this Agreement, the City shall have the right to terminate this Agreement by giving written notice to the Borrower of such termination and specifying the effective date thereof. Such notice shall be given at least ten (10) days before the effective date of such termination. Additionally, the City shall demand payment in full of the promissory note and personal guarantee incorporated in this Agreement by reference.

#### **Article 9.0 DELINQUENCIES**

9.1 All loan payments are due the first day of each month.

9.2 After a delinquency of thirty (30) days, the City will notify the borrower of the delinquency in writing at the address given herein for notice.

9.4 Upon receipt of the copy of the written notice, the Planning & Development Director may contact the Borrower, determine the degree of the problem, and take necessary steps for payment compliance. If no resolution is made, the City may declare the loan in default as set forth below.

**Article 10.0 DEFAULT**

In the event the Borrower defaults under the terms of this Agreement, the City shall have the right to declare the loan to be due and payable immediately to the City. The City shall notify the Borrower in writing by certified mail of any breach in terms of Agreement. The City may give the Borrower ten (10) days or such other time as is reasonable in order to correct the default.

**Article 11.0 ASSIGNMENT**

The Borrower shall not assign any interest in this Agreement and shall not transfer any interest by assignment or novation without the prior written consent of the City.

**Article 12.0 MODIFICATIONS**

There shall be no modifications of this Agreement unless they are in writing, in valid legal form, and are signed by both parties.

**Article 13.0 INDEMNIFICATION**

The Borrower agrees to indemnify, keep and save harmless the City, and their agents, officials and employees against all suits, claims, damages, costs and losses, whether caused or contributed to by the negligence of the City, including attorney fees, that may be based on any injury or damage to persons or property that in any way arise out of this Agreement and pertain to the affirmative or negligent acts, errors or omissions of the Borrower.

**Article 14.0 SEVERABILITY**

If any section or part of this Agreement shall be adjudged invalid or unconstitutional, such adjudication shall not affect the validity of the Agreement as a whole or any section, provision, or part thereof not adjudged invalid or unconstitutional.

**Article 15.0 NOTICE TO PARTIES**

Notice to a party hereto shall be addressed to such party at the address set forth below or at such other address each party shall from time to time designate by notice in writing:

15.1 **CITY OF MOLINE** referenced in this Agreement as the City:

City Attorney  
City of Moline  
619 - 16th Street  
Moline, Illinois 61265

15.2 **MOLINE PROMENADE INVESTORS, LLC** referenced in this Agreement as the Borrower:

Moline Promenade Investors, LLC  
1415 River Dr.  
Moline, Illinois 61265  
Attention: Mahesh Amin, Member

**Article 16.0 HEADINGS**

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

**Article 16.0 APPLICABLE LAW; JURISDICTION; VENUE**

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 court in Rock Island County, Illinois of competent jurisdiction.

This Agreement shall take effect immediately upon execution by all parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed in duplicate on the \_\_\_\_\_ day of \_\_\_\_\_, 2016.

**MOLINE PROMENADE INVESTORS, LLC**

**CITY OF MOLINE, ILLINOIS**

By: \_\_\_\_\_  
Mashesh Amin, Member

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

ATTEST:

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

APPROVED AS TO FORM:

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

Date: \_\_\_\_\_

Council Bill/Resolution No. 1042-2016

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

A RESOLUTION

AUTHORIZING the Mayor and City Clerk to execute a contract with Walter D. Laud, Inc. for Motor Fuel Tax Section 16-00000-00-GM, 2016 Pavement Patching Program, in the amount of \$1,307,193.75.

\_\_\_\_\_

WHEREAS, bids were publicly read on March 15, 2016; and

WHEREAS, bids were solicited with Walter D. Laud, Inc. submitting the lowest responsible and responsive bid; and

WHEREAS, sufficient funds are available.

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

That the Mayor and City Clerk are hereby authorized to execute a contract with Walter D. Laud, Inc. for Motor Fuel Tax Section 16-00000-00-GM, 2016 Pavement Patching Program, in the amount of \$1,307,193.75; provided, however, that said contract is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

April 5, 2016

\_\_\_\_\_  
Date

Passed: April 5, 2016

Approved: April 19, 2016

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

Approved as to Form:

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



PROPOSAL SUBMITTED BY		
Walter D. Laud, Inc.		
Contractor's Name		
821 South 2 <sup>nd</sup> Avenue		88
Street		P.O. Box
East Moline	IL	61244
City	State	Zip Code

STATE OF ILLINOIS

COUNTY Rock Island  
City of Moline  
(Name of City, Village, Town or Road District)

FOR THE IMPROVEMENT OF

STREET NAME OR ROUTE 2016 Pavement Patching Program  
SECTION NO. 16-00000-00-GM  
TYPES OF FUNDS MFT

SPECIFICATIONS (required)

PLANS (required)

CONTRACT BOND (when required)

**For Municipal Projects**  
Submitted/Approved/Passed

Mayor  President of Board of Trustees  Municipal Official

\_\_\_\_\_

Date

**Department of Transportation**  
 Concurrence in approval of award

\_\_\_\_\_

Regional Engineer

\_\_\_\_\_

Date

**For County and Road District Projects**  
Submitted/Approved

\_\_\_\_\_

Highway Commissioner

\_\_\_\_\_

Date

Submitted/Approved

\_\_\_\_\_

County Engineer/Superintendent of Highways

\_\_\_\_\_

Date

County Rock Island  
Local Public Agency City of Moline  
Section Number 16-00000-00-GM  
Route Pavement Patching

1. THIS AGREEMENT, made and concluded the \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_  
Month and Year  
between the City of Moline  
acting by and through its City Council known as the party of the first part, and  
Walter D. Laud, Inc. his/their executors, administrators, successors or assigns,  
known as the party of the second part.
2. Witnesseth: That for and in consideration of the payments and agreements mentioned in the Proposal hereto attached, to be made and performed by the party of the first part, and according to the terms expressed in the Bond referring to these presents, the party of the second part agrees with said party of the first part at his/their own proper cost and expense to do all the work, furnish all materials and all labor necessary to complete the work in accordance with the plans and specifications hereinafter described, and in full compliance with all of the terms of this agreement and the requirements of the Engineer under it.
3. And it is also understood and agreed that the LPA Formal Contract Proposal, Special Provisions, Affidavit of Illinois Business Office, Apprenticeship or Training Program Certification, and Contract Bond hereto attached, and the Plans for Section 16-00000-00-GM, in Moline, Illinois, approved by the Illinois Department of Transportation on \_\_\_\_\_, are essential documents of this  
Date  
contract and are a part hereof.
4. IN WITNESS WHEREOF, The said parties have executed these presents on the date above mentioned.

Attest: \_\_\_\_\_ Clerk      The City of Moline  
By \_\_\_\_\_  
Party of the First Part

(Seal) \_\_\_\_\_  
*(If a Corporation)*  
Corporate Name \_\_\_\_\_  
By \_\_\_\_\_  
President      Party of the Second Part  
*(If a Co-Partnership)*

Attest: \_\_\_\_\_  
Secretary

\_\_\_\_\_  
Partners doing Business under the firm name of  
\_\_\_\_\_  
Party of the Second Part  
*(If an individual)*  
\_\_\_\_\_  
Party of the Second Part

**CITY OF MOLINE, IL BID TABULATION**

Bid Date and Time: March 15, 2016 11:00 a.m.

Project: MFT 16-00000-00-GM - 2016 Pavement Patching Program

**Centennial Contractors of the  
Quad Cities, Inc. Valley Construction Company**

**Walter D. Laud, Inc.**

ITEM NO.	ITEM	APPROX QUANTITY	UNIT	Walter D. Laud, Inc.		Centennial Contractors of the Quad Cities, Inc.		Valley Construction Company	
				UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT	UNIT PRICE	AMOUNT
1	CLASS B PATCH, TYPE I	120	SQ YD	\$150.00	\$18,000.00	\$135.00	\$16,200.00	\$145.00	\$17,400.00
2	CLASS B PATCH, TYPE II	1700	SQ YD	\$111.00	\$188,700.00	\$100.00	\$170,000.00	\$115.00	\$195,500.00
3	CLASS B PATCH, TYPE III	1000	SQ YD	\$104.00	\$104,000.00	\$90.00	\$90,000.00	\$107.50	\$107,500.00
4	CLASS B PATCH, TYPE IV	10000	SQ YD	\$69.00	\$690,000.00	\$75.00	\$750,000.00	\$85.00	\$850,000.00
5	CLASS B PATCH, TYPE I, W/HMA	25	SQ YD	\$100.00	\$2,500.00	\$140.00	\$3,500.00	\$150.00	\$3,750.00
6	CLASS B PATCH, TYPE II, W/HMA	100	SQ YD	\$110.00	\$11,000.00	\$105.00	\$10,500.00	\$140.00	\$14,000.00
7	CLASS B PATCH, TYPE III, W/HMA	100	SQ YD	\$110.00	\$11,000.00	\$100.00	\$10,000.00	\$120.00	\$12,000.00
8	CLASS B PATCH, TYPE IV, W/HMA	400	SQ YD	\$78.00	\$31,200.00	\$85.00	\$34,000.00	\$99.00	\$39,600.00
9	BRICK PAVEMENT PATCHING	500	SQ YD	\$80.00	\$40,000.00	\$80.00	\$40,000.00	\$115.00	\$57,500.00
10	SUPPLY NEW PAVERS	2500	EACH	\$0.01	\$25.00	\$0.50	\$1,250.00	\$0.50	\$1,250.00
11	GEOTECHNICAL FABRIC FOR GROUND STABILIZATION	750	SQ YD	\$1.00	\$750.00	\$1.00	\$750.00	\$1.25	\$937.50
12	AGGREGATE BASE COURSE, TY B, 6"	7000	SQ YD	\$10.00	\$70,000.00	\$7.00	\$49,000.00	\$10.25	\$71,750.00
13	AGGREGATE BASE COURSE, TY C, 6"	700	SQ YD	\$5.00	\$3,500.00	\$8.00	\$5,600.00	\$11.75	\$8,225.00
14	RR-1 AGGREGATE	50	CU YD	\$25.00	\$1,250.00	\$25.00	\$1,250.00	\$25.00	\$1,250.00
15	BARRIER CURB	60	FOOT	\$30.00	\$1,800.00	\$30.00	\$1,800.00	\$35.75	\$2,145.00
16	EPOXY COATED, DEFORMED BARS, 1/2"X18"	200	EACH	\$0.01	\$2.00	\$1.00	\$200.00	\$3.00	\$600.00
17	EPOXY COATED, DEFORMED BARS, 3/4"X18"	9000	EACH	\$0.10	\$900.00	\$2.00	\$18,000.00	\$4.00	\$36,000.00
18	EPOXY COATED BARS, 1"X18"	225	EACH	\$2.00	\$450.00	\$4.00	\$900.00	\$4.00	\$900.00
19	EPOXY COATED BARS, 1-1/4"X18"	75	EACH	\$0.01	\$0.75	\$4.00	\$300.00	\$5.00	\$375.00
20	EPOXY COATED BARS, 1-1/2"X18"	120	EACH	\$8.00	\$960.00	\$4.00	\$480.00	\$6.00	\$720.00
21	5 HOUR PCC	200	SQ YD	\$15.00	\$3,000.00	\$9.00	\$1,800.00	\$5.00	\$1,000.00
22	PCC DRIVEWAY REMOVAL AND REPLACEMENT	200	SQ YD	\$65.00	\$13,000.00	\$54.00	\$10,800.00	\$65.00	\$13,000.00
23	PCC SIDEWALK 4" REMOVAL AND REPLACEMENT	5000	SQ FT	\$5.00	\$25,000.00	\$5.50	\$27,500.00	\$7.00	\$35,000.00
24	INLET TO BE ADJUSTED	30	EACH	\$100.00	\$3,000.00	\$250.00	\$7,500.00	\$555.00	\$16,650.00
25	MANHOLE TO BE ADJUSTED	30	EACH	\$200.00	\$6,000.00	\$250.00	\$7,500.00	\$500.00	\$15,000.00
26	MANHOLE TO BE ADJUSTED WITH NEW FRAME AND LID	30	EACH	\$300.00	\$9,000.00	\$550.00	\$16,500.00	\$605.00	\$18,150.00
27	CATCH BASIN TO BE ADJUSTED WITH NEW FRAME AND GRATE	10	EACH	\$400.00	\$4,000.00	\$550.00	\$5,500.00	\$825.00	\$8,250.00
28	CURB REMOVAL	150	FOOT	\$10.00	\$1,500.00	\$10.00	\$1,500.00	\$20.00	\$3,000.00
29	CONCRETE CURB & GUTTER REMOVAL AND REPLACE	150	FOOT	\$40.00	\$6,000.00	\$31.00	\$4,650.00	\$36.75	\$5,512.50

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

30	INLET REMOVAL	6	EACH	\$1.00	\$6.00	\$50.00	\$300.00	\$250.00	\$1,500.00
31	CATCH BASIN SINGLE	2	EACH	\$1,300.00	\$2,600.00	\$1,500.00	\$3,000.00	\$2,450.00	\$4,900.00
32	CATCH BASIN DOUBLE	2	EACH	\$700.00	\$1,400.00	\$2,000.00	\$4,000.00	\$3,100.00	\$6,200.00
33	DETECTABLE WARNINGS	150	SQ FT	\$20.00	\$3,000.00	\$30.00	\$4,500.00	\$45.00	\$6,750.00
34	HMA PATCH 3"	400	SQ YD	\$40.00	\$16,000.00	\$45.00	\$18,000.00	\$47.50	\$19,000.00
35	COLORED AND STAMPED PCC PAVEMENT 9"	200	SQ YD	\$70.00	\$14,000.00	\$120.00	\$24,000.00	\$125.00	\$25,000.00
36	COLORED AND STAMPED PCC SIDEWALK 4"	200	SQ FT	\$7.00	\$1,400.00	\$15.00	\$3,000.00	\$13.50	\$2,700.00
37	PCC SIDEWALK RAMP, 6"	1500	SQ FT	\$13.50	\$20,250.00	\$10.00	\$15,000.00	\$8.50	\$12,750.00
	<b>TOTAL</b>				<b>\$1,305,193.75</b>		<b>\$1,358,780.00</b>		<b>\$1,615,765.00</b>

Council Bill/Resolution No. 1043-2016

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

A RESOLUTION

AUTHORIZING approval of a Resolution for Improvement by Municipality under the Illinois Highway Code for Motor Fuel Tax Section 16-00000-00-GM, 2016 Pavement Patching Program.

\_\_\_\_\_

WHEREAS, a resolution is necessary to use Motor Fuel Tax funds for the City of Moline's Pavement Patching Program at various locations.

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

That the Mayor and City Clerk are hereby authorized to approve of a Resolution for Improvement by Municipality under the Illinois Highway Code for Motor Fuel Tax Section 16-00000-00-GM, 2016 Pavement Patching Program; provided, however, that said Resolution for Improvement is substantially similar in form and content to those attached hereto and incorporated herein by this reference thereto as Exhibit A and have been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

April 5, 2016

Passed: April 5, 2016

Approved: April 19, 2016

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

Approved as to Form:

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



BE IT RESOLVED, by the City Council of the  
City \_\_\_\_\_ of Moline Illinois  
City, Town or Village  
Council or President and Board of Trustees

that the following described street(s) be improved under the Illinois Highway Code:

Name of Thoroughfare	Route	From	To
Various			

BE IT FURTHER RESOLVED,

1. That the proposed improvement shall consist of PCC concrete and HMA asphalt pavement patching at various  
locations within Moline. Work may include ADA compliant sidewalk ramps at some locations where appropriate.

\_\_\_\_\_ and shall be constructed \_\_\_\_\_ wide  
and be designated as Section 16-00000-00 GM

2. That there is hereby appropriated the (additional  Yes  No) sum of nine hundred thousand  
\_\_\_\_\_ Dollars ( \$900,000.00 ) for the  
improvement of said section from the municipality's allotment of Motor Fuel Tax funds.

3. That work shall be done by contract \_\_\_\_\_ ; and,  
Specify Contract or Day Labor

BE IT FURTHER RESOLVED, that the Clerk is hereby directed to transmit two certified copies of this resolution to the  
district office of the Department of Transportation.

Approved
_____
Date
_____
Department of Transportation
_____
Regional Engineer

I, Tracy Kornada Clerk in and for the  
City \_\_\_\_\_ of Moline  
City, Town or Village  
County of Rock Island , hereby certify the  
foregoing to be a true, perfect and complete copy of a resolution adopted  
by the City Council  
Council or President and Board of Trustees  
at a meeting on \_\_\_\_\_  
Date  
IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this  
\_\_\_\_\_ day of \_\_\_\_\_  
(SEAL)  
\_\_\_\_\_ City, Town, or Village Clerk

Council Bill/Resolution No. 1044-2016

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

A RESOLUTION

AUTHORIZING approval of a Memorandum of Understanding with the Illinois Department of Transportation Related to the Proposed Streetscaping on the I-74 Bridge Project.

\_\_\_\_\_

WHEREAS, the plans for the proposed I-74 Bridge project will include landscaping and other aesthetic improvements intended to soften the appearance of an interstate highway system through the downtown areas; and

WHEREAS, the Memorandum of Understanding confirms that the City of Moline agrees to the maintenance responsibilities related to the proposed Streetscaping on the I-74 Bridge Project; and

WHEREAS, funds will be required in the future for maintenance and/or replacement as needed.

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

That the City Council finds it in the best interest of the City of Moline, Illinois, to approve of a Memorandum of Understanding with the Illinois Department of Transportation Related to the Proposed Streetscaping on the I-74 Bridge Project.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

April 5, 2016  
Date

Passed: April 5, 2016

Approved: April 19, 2016

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

Approved as to Form:

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



# Illinois Department of Transportation

Division of Highways / Region 2 / District 2  
819 Depot Avenue / Dixon, Illinois / 61021-3500  
Telephone 815/284-2271

## PROGRAM DEVELOPMENT

Project Support –Memorandum of Understanding  
FAI 74(I-74)  
Rock Island County  
Contract 64C08  
Agreement No. MU-2-16-025

March 2, 2016

Honorable Scott Raes  
Mayor  
619 16th Street  
Moline, Illinois 61265

Dear Mayor Raes:

This Memorandum of Understanding is to outline the maintenance responsibilities of the proposed Urban Park area to be located within Moline, Illinois, in conjunction with the future I-74 corridor project. The Illinois Department of Transportation supports the determination of the City of Moline to pursue completion of landscape improvements to the "Phase I" extent as discussed at the October 2014 and subsequent I-74 Advisory Council meetings. The scope of work includes landscaping design and final construction documents, as well as construction of "hardscape" elements (decorative rock treatments and edging), minimal softscape including seeding, storm water treatment, and connections to the proposed stormwater management system.

Upon final field inspection of the improvements to be constructed with this project, the City of Moline agrees to the maintenance responsibilities related to the Urban Park area. Items include but are not limited to, mowing, reseeding, pruning, weeding, watering, care for or replacement of all plants, shrubs, trees, rock elements, mulch of all kinds, and storm sewers related to the City of Moline's collection system. At a future date a joint agreement will be established for other items the City of Moline will be responsible for in conjunction with the I-74 project.

The City of Moline agrees that all covenants contained in previous agreements, Memorandums of Understanding or Letters of Understanding relating to city owned utilities, maintenance, electrical energy, enactment of ordinances, etc., on the section to be improved within the city limits, shall remain unchanged. However, a future joint agreement will readdress maintenance responsibilities for the I-74 corridor.

Honorable Scott Raes  
MU-2-16-025  
March 2, 2016  
Page Two

This Memorandum of Understanding (MU-2-16-025) shall be binding upon the parties hereto, their successors and assigns. Your acceptance of this Memorandum of Understanding shall be considered as your approval of the terms contained herein. Three original counterparts of this Memorandum of Understanding have been prepared and contain my original signature. Please sign all three original counterparts and return two to this office. The other copy may be retained for your files.

If you should have any questions, please contact Mr. Brian Mayer, Project Support Engineer at (815) 284-5353.

Sincerely,

A handwritten signature in black ink that reads "Paul A. Loete". The signature is written in a cursive style with a large, stylized initial "P" and "L".

Paul A. Loete, P.E.  
Region Two Engineer

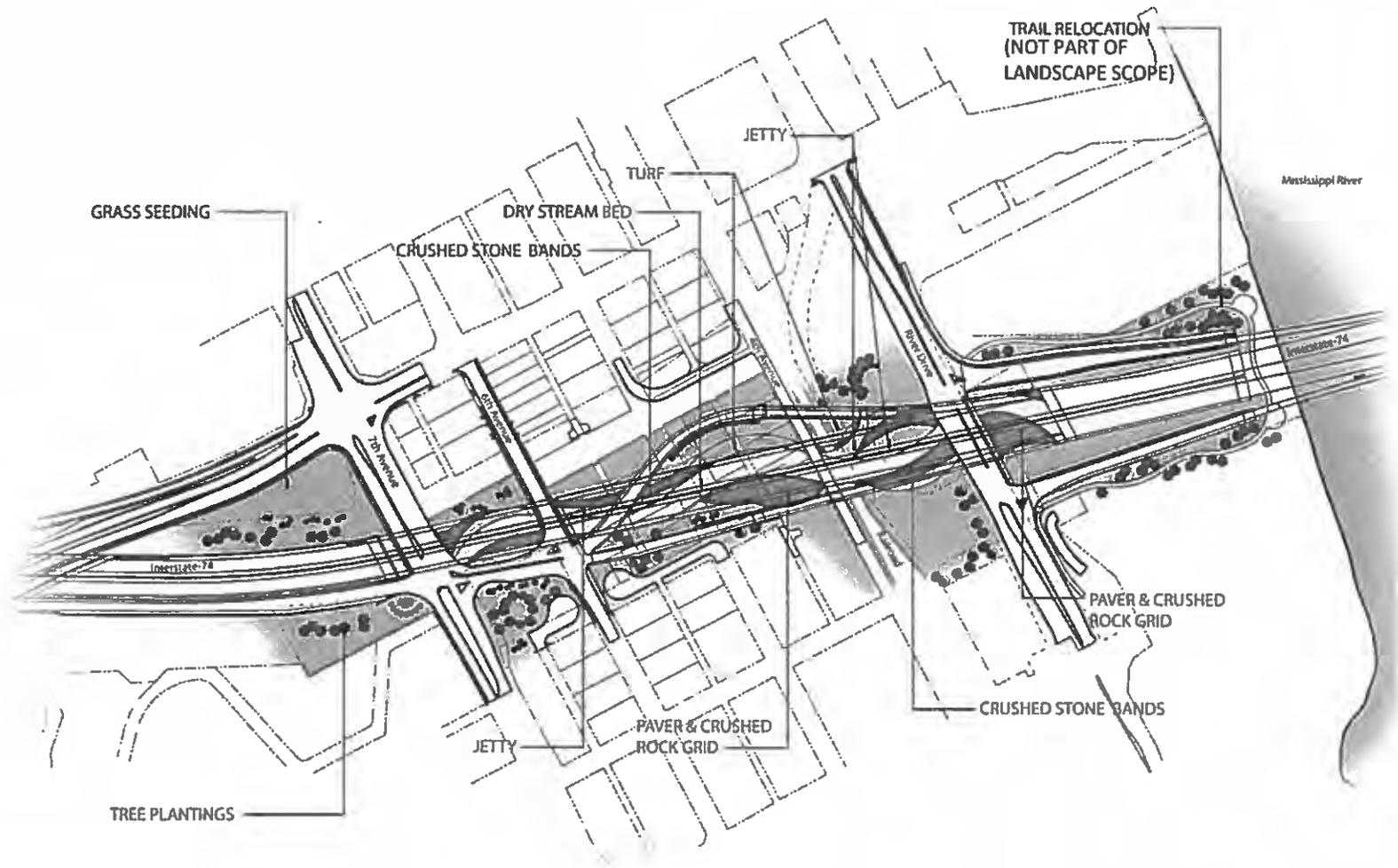
CITY OF MOLINE

\_\_\_\_\_  
Scott Raes, Mayor

\_\_\_\_\_  
Date

DV/fd  
c: Scott Hinton, Moline City Engineer

# Moline –Landscaping Phase 1~ \$700,000



## MOLINE - LANDSCAPING PHASE 1

CONCEPTUAL URBAN PARK PLAN  
OCTOBER 22 2014

SHIVEHATTERY  
ARCHITECTURE • ENGINEERING



Council Bill/Resolution No. 1045-2016

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

A RESOLUTION

AUTHORIZING General Constructors, Inc. of the Quad Cities to install decorative fencing on the 12<sup>th</sup> Street Retaining Wall for Project #1194, 12<sup>th</sup> Street Retaining Wall Replacement.

\_\_\_\_\_  
WHEREAS, General Constructors, Inc. of the Quad Cities proposes to install 240 lineal feet of Ameristar Montage Majestic decorative fencing on top of the 12<sup>th</sup> Street Retaining Wall; and

WHEREAS, the proposed decorative fencing will cost approximately \$10,000.00; and

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

That the City Council hereby authorize General Constructors, Inc. of the Quad Cities to install decorative fencing on the 12<sup>th</sup> Street Retaining Wall for Project #1194, 12<sup>th</sup> Street Retaining Wall Replacement.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
April 5, 2016  
Date

Passed: April 5, 2016

Approved: April 19, 2016

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

Approved as to Form:

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



AN ORDINANCE

AMENDING Chapter 15, "GARBAGE AND TRASH," of the Moline Code of Ordinances, Section 15-2101, "AUTOMATED TIPPER CARTS," by repealing subsection (a) in its entirety and enacting in lieu thereof one new subsection (a) dealing with the same subject matter; and Section 15-2201, "PREPARATION AND COLLECTION OF RESIDENTIAL REFUSE," by repealing subsections (d) and (d)(2) in their entirety and enacting in lieu thereof new subsections (d) and (d)(2) dealing with the same subject matter.

WHEREAS, the City provides one automated tipper cart at no cost to each Moline residence and to each unit of a residential building consisting of five dwelling units or less, and a second and/or additional cart may be requested by the property owner or occupant of the residence and will be provided by the City upon prepayment of \$63.60 fee per cart; and

WHEREAS, the cost to the City for each cart has recently increased from \$63.60 to \$78.96 per cart, a difference of \$15.36 per cart; and

WHEREAS, to avoid a revenue loss due to the increase, the City wishes to amend its ordinance to reflect the increased cost; and

WHEREAS, the City Council also wishes to offer an optional yard waste cart program to collect yard waste as an alternative to the yard waste bags currently used; and

WHEREAS, offering a voluntary yard waste cart program will provide residents with another option for the disposal of their yard waste.

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

**Section 1** – That Chapter 15, "GARBAGE AND TRASH," of the Moline Code of Ordinances, Section 15-2101, "AUTOMATED TIPPER CARTS," is hereby amended by repealing subsection (a) in its entirety and enacting in lieu thereof one new subsection (a) dealing with the same subject matter, which shall read as follows:

**"SEC. 15-2101. AUTOMATED TIPPER CARTS.**

(a) The City will provide, at no charge, one (1) ninety-six (96) gallon automated tipper cart to each residence and one (1) ninety-six (96) gallon automated tipper cart per unit to each residential building of five (5) dwelling units or less. The property owner or occupant of the residence, or the owner of a residential building of five (5) dwelling units or less, may request a forty-eight (48) gallon cart in lieu of the ninety-six (96) gallon cart by completing a waiver for same at the City's accounts and finance department or public works department. A second and/or additional cart may be requested and will be provided by the City upon payment to the City of a prepaid fee of seventy-eight dollars and 96/100 (\$78.96); an annual administrative fee of fifty dollars (\$50.00) will be charged to cover the extra volume of any additional cart and will be added to the property owner's or occupant's City utility bill. In special circumstances, two (2) forty-eight (48) gallon carts may be substituted for a single ninety-six (96) gallon cart upon request and when the director of public works or said director's designee, in said director's or designee's sole discretion, determines that it is in the best interest of the City to do so."

**Section 2** – That Chapter 15, “GARBAGE AND TRASH,” of the Moline Code of Ordinances, Section 15-2201, “PREPARATION AND COLLECTION OF RESIDENTIAL REFUSE,” is hereby amended by repealing subsections (d) and (d)(2) in their entirety and enacting in lieu thereof new subsections (d) and (d)(2) dealing with the same subject matter, which shall read as follows:

**“SEC. 15-2201. PREPARATION AND COLLECTION OF RESIDENTIAL REFUSE.**

\* \* \* \* \*

(d) **Yard Waste.** Yard waste shall be collected separately from household garbage per state law and it shall be a violation for any person to intentionally place or comeingle, at any time, yard waste of any kind with any other household refuse or recyclable materials prepared for collection.

\* \* \* \* \*

(2) With the exception of leaf vacuuming collection as provided in Section 15-2200(d)(1) and excluding brush, yard waste shall be containerized for collection in biodegradable paper trash bags of thirty (30) gallons or less in capacity or an optional ninety-six (96) gallon City yard waste cart. Plastic bags are not allowed for such use and will not be collected by the City. An optional yard waste cart may be requested and will be provided by the City upon payment to the City of a prepaid fee of seventy-eight dollars and 96/100 (\$78.96); an annual administrative fee of one hundred dollars (\$100.00) will be charged to cover disposal of contents and will be added to the property owner’s or occupant’s City utility bill. The biodegradable paper trash bags and/or yard waste cart shall be placed at the curbside for collection or at the location designated by the director of public works or said director’s designee to be the most suitable for collection. A sticker imprinted with either “Approved by the City of Moline” or the City of Moline logo shall be affixed to each biodegradable paper trash bag in the manner provided on the sticker. The sticker may be purchased for two dollars (\$2.00) from either the City of Moline accounts and finance department or from a retail store that offers the stickers for sale. It shall be a violation of this section for retail stores or others to sell said designed stickers unless they are purchased from the City of Moline, Illinois.”

\* \* \* \* \*

**Section 3** – That pursuant to Section 1-1107 of the Moline Code of Ordinances, any person, firm or corporation violating any of the provisions of this Ordinance shall be fined not more than seven hundred fifty dollars (\$750.00) for each offense.

**Section 4** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

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

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

Attest: \_\_\_\_\_

City Clerk

Approved as to Form:

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

Council Bill/Special Ordinance No. 4014-2016

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

A SPECIAL ORDINANCE

AUTHORIZING the Mayor and City Clerk to execute an Agreement for Sale of Real Estate and do all things necessary to convey the City-owned property at 600 8<sup>th</sup> Street, Moline, known as One Moline Place Phase III/Hawk Hollow to B. M. Bagby, Inc.

\_\_\_\_\_

WHEREAS, the City acquired the property at 600 8<sup>th</sup> Street, Moline, known as One Moline Place Phase III/Hawk Hollow, as part of the One Moline Place Development; and

WHEREAS, the Citizens Advisory Council on Urban Policy (CACUP) recommended the use of Community Development Block Grant (CDBG) Funds to be used to assist with the completion of the infrastructure for the development, which City Council approved; and

WHEREAS, the City issued a Request for Proposals (RFP) to recruit a developer to complete this Phase of the Development, and

WHEREAS, B. M. Bagby, Inc. (Purchaser) has agreed to purchase the property from the City for \$108,000 pursuant to the terms of an Agreement for Sale of Real Estate; and

WHEREAS, Purchaser agrees to construct five (5) multi-unit, two-story townhouse buildings over the next five (5) years; and

WHEREAS, the sale of this property will lower the City's property maintenance expenses immediately and increase the property tax base in the future.

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

**Section 1** – That the Mayor and City Clerk are hereby authorized to execute an Agreement for Sale of Real Estate and do all things necessary to convey City-owned property at 600 8<sup>th</sup> Street, Moline, known as One Moline Place Phase III/Hawk Hollow to B. M. Bagby, Inc.; provided, however, that said agreement is in substantially form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

**Section 2** – That this ordinance shall be a temporary variance from any other ordinance with which it may conflict and shall not constitute a repeal of any such ordinance.

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval, and, if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

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

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

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

Approved as to Form:

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

CHURCHILL & CHURCHILL, P.C.  
Attorneys at Law  
1610 Fifth Avenue Moline, Illinois

**AGREEMENT FOR SALE AND DEVELOPMENT OF REAL ESTATE**

THIS IS A LEGAL AND BINDING PURCHASE CONTRACT  
WHEN EXECUTED BY ALL PARTIES

B. M. Bagby, Inc.  
Purchaser

City of Moline  
Seller

Address: 4113 4<sup>th</sup> Street  
East Moline, IL

Address: 619 16<sup>th</sup> Street  
Moline, IL

THIS AGREEMENT IS DATED:

The Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser the real estate commonly known as:

600 block of 8<sup>th</sup> Street, Moline, IL

and legally described as:

Lot 1 Hawk Hollow Addition, approximately 2.299 acres (mol), in the City of Moline, part of tax parcel no. Moline 9348

situated in the County of Rock Island and State of Illinois (the "Property"); for the total sum of **One hundred eight thousand and no/100 Dollars (\$108,000.00)**, plus a right of reverter requiring Purchaser to construct improvements as set forth in the Improvements section below, to be paid as follows:

\$ <u>1,000.00</u>	<b>EARNEST MONEY</b> , which shall be held and receipt of which is hereby acknowledged by Churchill & Churchill, P.C., attorneys for Purchaser in escrow for the benefit of the parties hereto.
\$ <u>7,000.00</u>	<b>ADDITIONAL CASH DOWN PAYMENT</b> , which shall be paid at the time of closing.
\$ <u>100,000.00</u>	<b>BALANCE</b> , to be financed by Seller according to

the terms and conditions contained in the Seller Financing Rider which is attached hereto and made a part hereof.

**The deadline to complete construction is December 31, 2021.** Seller may in its sole discretion agree to extend the date of completion. Any extension shall be by a written amendment to this Agreement signed by both parties.

EVIDENCE OF  
TITLE

Within a reasonable time, Seller shall deliver the following to Purchaser as evidence of Seller's title: a Commitment for Title Insurance issued by a title insurance company regularly doing business in the county where the premises are located, committing the company to issue an owner's policy in the usual form insuring merchantable title to the real estate in Purchaser for the amount of the purchase price. If title evidence discloses exceptions other than those permitted under the rules for examination for abstracts of title adopted by the Rock Island County Bar Association, Purchaser or Purchaser's attorney shall give written notice of such exceptions to Seller within a reasonable time. Seller shall have a reasonable time to have such title exceptions removed, or, any such exception which may be removed by the payment of money may be cured by deduction from the purchase price at the time of closing. If Seller is unable to cure such exception, then Purchaser shall have the option to terminate this agreement in which case Purchaser shall be entitled to refund of the earnest money. Furnishing a title insurance commitment insuring over an exception shall constitute a cure of such exception.

CONVEYANCE  
OF TITLE AND  
DOCUMENTS OF  
SALE

At closing Seller shall deliver a warranty deed to Purchaser, or such party or parties as Purchaser may direct, conveying title together with such other documents as may be required to record the deed, transfer personal property, if any, and protect Purchaser from mechanics' liens. All parties agree to comply with the provisions of the Real Estate Settlement Procedures Act of 1974 (RESPA).

POSSESSION  
AND CLOSING

POSSESSION ON CLOSING:

Seller shall deliver possession of the premises to Purchaser concurrently with the closing of this transaction which shall be held on or about April 30, 2016. Purchaser understands that Seller's City Council must approve this Agreement before it becomes effective. Therefore, the Purchaser agrees that Purchaser's offer to buy hereunder shall be irrevocable until April 27, 2016, to allow Seller's City Council to consider and approve this Agreement at its April 26, 2016 City Council meeting.

If Seller shall fail for any reason whatsoever to vacate said premises on closing, the Purchaser shall in addition to all other remedies have the right to commence any legal action or proceeding to evict and remove the Seller from the premises with Seller hereby agreeing to reimburse Purchaser for all reasonable attorney fees and expenses incurred by the Purchaser in the enforcement of his rights under this agreement.

PRORATIONS  
AND ADJUST-  
MENTS

The following items shall be prorated at closing as of the date of delivery of possession:

Prorations:

(a) Real estate taxes, based on the most recent tax information available, which, in the absence of fraud, shall be final;

(b) Other income and operation expenses, if any.

Adjustments:

Utility charges shall be adjusted by the parties by appropriate meter readings at or about the time of delivery and surrender of possession.

ASSESSMENTS

Special assessments for improvements, which have been confirmed prior to the date of closing, shall be paid by Seller. Seller acknowledges that prior to the execution of this agreement Seller has no knowledge of or no notice has been received from any municipal authority concerning improvements which could result in a special assessment on the property to be sold herein. There will be no tap on fees for municipal services to the property charged to the Purchaser.

DEFAULT

If Purchaser fails to make any payment or to perform any obligation imposed upon him by this agreement, Seller may serve written notice of default upon Purchaser and if such specified default is not corrected within ten (10) days thereafter, Seller, subject to the terms of any listing agreement, may accept the earnest money and any additional down payment as damages or may pursue any available legal remedy including reverter as set forth in the Special Covenants and Restriction section of this Agreement and specific performance. In the event Seller fails to perform any obligation imposed upon him by this agreement, Purchaser may serve written notice of default upon Seller and if such default is not corrected within ten (10) days thereafter, earnest money and any additional down payment deposit shall be refunded to Purchaser without prejudicing the Purchaser's right to any available legal remedy including specific performance. In the event of default the defaulting party shall be liable to the other party for reasonable attorney fees and expenses incurred by reason of default.

CASUALTY  
CLAUSE

This agreement shall be subject to the Illinois Uniform Vendor and Purchaser Act as currently in effect. Seller shall keep adequate insurance, on the above premises until title has passed to Purchaser or possession is delivered to Purchaser, whichever first occurs. Purchaser shall be responsible for insurance coverage upon taking title to or possession of the above premises, whichever occurs first.

EXPENSES  
OF TRANSFER

Seller shall pay:  
(a) Cost of Seller's owner's title policy;  
(b) Revenue stamps and recording of any releases;  
Purchaser shall pay:  
(a) Recording fee for deed and mortgage;  
(b) Cost of Purchaser's mortgage title insurance policy as required by mortgagee, if any.  
Each party shall be responsible for his own attorney fees and customary closing costs. Closing costs do not ordinarily include charges incident to the Purchaser's financing, and such charges shall be paid by Purchaser.

DEVELOPMENTAL IMPROVEMENTS All developmental improvements, i.e. storm sewer, water, sanitary sewer, streets, lighting, sidewalks, retaining wall on the north and west property lines, and detention basin shall be installed and paid for by the Seller at no charge or expense to the Purchaser. All public improvements in the right of way, including, but not limited to, the lighting, streets, and utilities, except for stormwater features including bioswale and pipe, shall be maintained by the City. Sidewalks, while public improvements, are to be maintained by the adjacent private property owner pursuant to the Moline Code of Ordinances. The detention basin, retaining walls and all other improvements on private property shall be owned and maintained by the Purchaser

IMPROVEMENTS Purchaser will construct five (5) multi-unit two story townhouse buildings over the next five (5) years as reflected in the drawings attached hereto as Exhibit "A," which have been approved for construction by the City of Moline. Seller agrees to not withhold the issuance of permits for this construction as and when requested by Purchaser as long as Purchaser has met all requirements for obtaining permits. See attached Seller Financing Rider for further details.

The overall development of the Property will consist of the construction of city utilities, a city road and sidewalk, grading, construction of five (5) multi-unit two story townhouse buildings, and landscaping, resulting in land disturbance greater than one acre. As such, a National Pollutant Discharge Elimination System (NPDES) Permit from the Illinois Environmental Protection Agency (IEPA) is required prior to land disturbance and will remain in effect until final stabilization of the entire site unless a notice of termination is accepted by the IEPA prior to completion of the entire project.

Seller has performed the initial stage of development, which included utility work, grading, right of way improvements, and storm water best management practices (BMPs). Upon conveyance of the Property to Purchaser, Purchaser shall be responsible for construction of the structures, driveways, finishing grading, and final landscaping. Since this development includes work by Seller and Purchaser, Seller will be designated as the responsible party on the Notice of Intent submitted to the (IEPA), and subsequently will be named as responsible party on the NPDES Permit obtained by the IEPA as long as the permit is in effect.

For one year following conveyance of the Property to Purchaser, Purchaser will be responsible for all erosion and sediment control measures associated with construction of the first building in the residential phase, will sign and adhere to the SWPPP as a subcontractor, and will be responsible for following the stormwater pollution protection plan (SWPPP) and protecting all BMPs installed by the Seller in that area as depicted in Exhibit "B," attached hereto and incorporated herein by reference, which consists of the footprint of the building foundation and a fifty foot (50') radius around the footprint. Purchaser shall remedy any failures of erosion and sediment control in the area depicted on Exhibit B within seven (7) days of an occurrence or prior to the next rain event and shall be responsible to the Seller for any fines resulting from failing to comply with such SWPPP requirements or failure to remedy any such failures of erosion and sediment controls in the area.

For one year following conveyance of the Property to Purchaser, Seller will be responsible for all erosion and sediment control measures associated with the remainder of the Property and shall remedy any failures thereof and shall be responsible for any fines resulting from failing to comply with such SWPPP requirements or failure to remedy any such failures of erosion and sediment controls in the area.

The Purchaser will also be responsible for all subcontractors hired during the residential construction phase of the project. BMPs harmed during the construction of the residential structures, finish grading, driveway construction, and final landscaping will be repaired at the Purchaser's expense and to the construction standards specified in the plans. Purchaser agrees to comply with all IEPA requirements as well as the City of Moline Ordinances that apply to the project. Failure to comply with City ordinances may result in prosecution of said ordinance violations.

Within one year of conveyance of the Property, Seller shall televise the stormwater lines and, at that time, provide written confirmation to Purchaser detailing the inspection that occurred, the results of the inspection and any remedial action taken and confirming in writing that the inspected storm water lines are in satisfactory condition. If any problems are noticed by Seller, Seller will correct any problems that are under warranty by the Seller's contractor.

Upon completion of the first building in the project and upon 70% density stabilization of the site, Seller shall in good faith apply for a notice of termination of the NPDES permit with the IEPA. Seller makes no assurances or representations that such notice will be accepted by the IEPA. If the notice of termination is accepted, then the requirements hereunder pertaining to the NPDES permit shall cease. If the notice of termination is not accepted, Purchaser shall accept all further responsibility and liability for all erosion and sediment control measures, for adherence to the SWPPP as a subcontractor, and for following the stormwater pollution protection plan (SWPPP) and protecting all BMPs installed by the Purchaser and the Seller.

SPECIAL  
RESTRICTIONS  
AND COVENANTS

Purchaser further acknowledges and agrees that Purchaser's failure to make the payments as set forth in the attached Seller Financing Rider and

improve the Property as reflected in the attached drawings and in accordance with the NPDES Permit for the Property will result in reverter of any portion of the Property where construction has not begun, not including the detention basin, by the deadline of December 31, 2021, without further action by or notice from the Seller, and Purchaser will voluntarily relinquish all interests in any of the Property where construction has not begun, not including the detention basin, to the Seller. Any payments for the sale contemplated herein already made at such time of reverter shall be retained by the Seller as consideration for this agreement. Such reverter may necessitate a subdivision of the Property to separate out completed or partially constructed units from the remaining vacant lots, which cost shall be borne by the Purchaser. In the event any of the Property reverts to Seller, Purchaser's obligations, responsibilities and liabilities for erosion and sediment control measures are terminated and revert back to Seller.

MERGER                    The Special Restrictions and Covenants and Right of Reverter contained in this Agreement shall remain in effect and shall not merge with the deed.

TIF                        Any funds derived from any Tax Increment Financing District involving the subject real estate shall be paid to the Seller. Purchaser will receive no net incremental annual real state tax pursuant to this agreement of any TIF payments applicable to the subject real estate.

ESCROW                    This agreement will be closed through an escrow with the Purchaser's attorney, mortgage lender or agent acting as escrow agent, in accordance with the general custom of the community and in conformity with this agreement. The funds held in escrow shall be paid out upon recording of the instrument.

ELECTRONIC TRANSMISSION        Any agreement transmitted electronically shall be treated in all manner and respects as an original

document. The signature of any party shall be considered an original signature and any such electronic document shall be considered to have the same binding legal effect as an original document.

ENTIRE AGREEMENT

This agreement, including the following indicated preprinted riders:

SELLER FINANCING RIDER,

executed by the parties, constitutes the entire agreement between the parties and there are no oral representations, warranties, or covenants other than those set forth herein and on any riders attached hereto and made a part hereof and this agreement shall extend to and be binding upon the heirs, executors, administrators and assigns of the respective parties hereto.

LEGAL ASSISTANCE

The Seller and Purchaser are aware that when fully signed, this is a legally binding agreement For the sale and purchase of real estate and that in order to protect their interests in connection with contractual, title and other aspects of this transaction, they have the right to consult legal counsel before this agreement is signed.

ACCEPTANCE BY SELLER

Until accepted by Seller this document constitutes an offer by Purchaser on the terms stated above. This agreement must be accepted by Seller on or before April 27, 2016 at 5:00 p.m. If not so accepted the offer shall be void and earnest money returned to Purchaser.

SURVIVAL

The terms and provisions of this agreement shall survive closing.

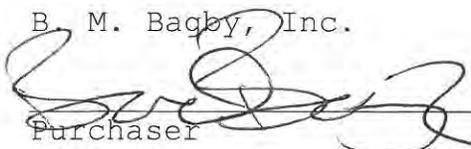
This agreement has been read and executed on the dates beside our signatures.

Executed by Purchaser:

Executed by Seller:

B. M. Bagby, Inc.

City of Moline

  
Purchaser \_\_\_\_\_ Date 3/21/16

\_\_\_\_\_  
Seller \_\_\_\_\_ Date

SELLER FINANCING RIDER

This Rider is a supplement to and part of the Agreement for Sale of Real Estate dated \_\_\_\_\_, between the Seller, City of Moline and the Purchaser, B. M. Bagby, Inc., to which it is attached.

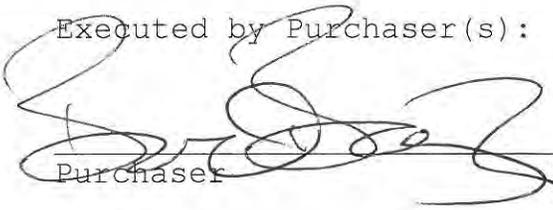
NOTE

The remaining funds due in the amount of \$100,000.00 shall be paid in the following manner:

Seller agrees to execute a note payable to the Seller, providing for payment of the sum of Twenty thousand and no/100 Dollars (\$20,000.00) each time a permit is pulled for the construction of one of the five required units to be built within the next five years, with all payments to be made, if not sooner paid, four years from the closing of this transaction. No interest is to be charged on the remaining funds due. Any construction financing obtained by Purchaser during the term of this note will be a first lien on the property and any interest of Seller by reason of this note will be subordinate to any such financing obligation.

Executed by Purchaser(s):

Executed by Seller(s):

  
Purchaser \_\_\_\_\_ Date 3/21/16

\_\_\_\_\_  
Seller \_\_\_\_\_ Date

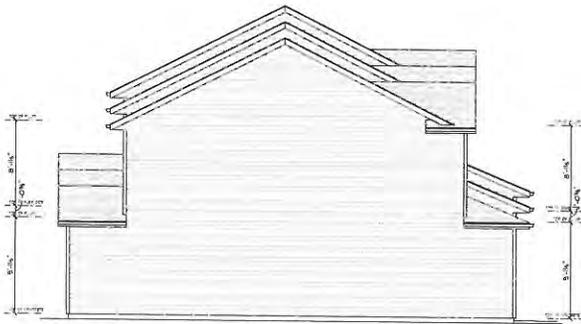
\_\_\_\_\_  
Purchaser \_\_\_\_\_ Date

\_\_\_\_\_  
Seller \_\_\_\_\_ Date

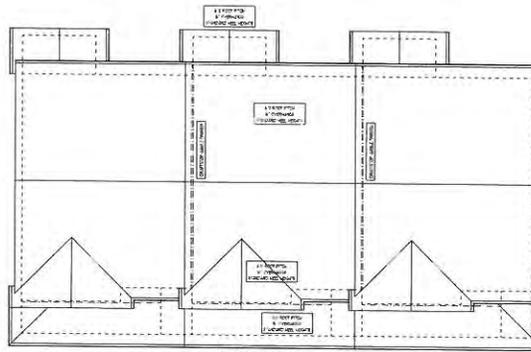
# EXHIBIT A



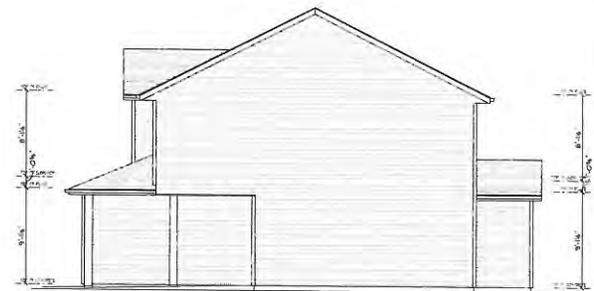
**FRONT ELEVATION**  
SCALE: 1/4" = 1'-0"



**LEFT ELEVATION**  
SCALE: 3/8" = 1'-0"



**ROOF OVERVIEW**  
SCALE: 1" = 1'-0"



**RIGHT ELEVATION**  
SCALE: 3/8" = 1'-0"



**REAR ELEVATION**  
SCALE: 3/8" = 1'-0"

THESE PLANS HAVE BEEN PREPARED AS A DRAFTING PREPARATION OF THESE PLANS TO PROVIDE ACCURATE DIMENSIONS AND CONFORMITY TO UNIFORM BUILDING CODES. IT SHALL BE THE SOLE RESPONSIBILITY OF THE GENERAL CONTRACTOR TO VERIFY ALL DIMENSIONS AND GRADING DETAILS WITH THE LOCAL OFFICIALS. THEREFORE, RELIANCE ON THESE PLANS IS AT THE RISKER OF THE CONTRACTOR.

**BIRDSEYE DESIGN**  
ARCHITECTURE & INTERIOR DESIGN  
1111 W. WASHINGTON ST.  
MOLINE, IL 61201

3-PLEX UNITS AT  
HAWK HOLLOW SUBDIVISION  
MOLINE, IL

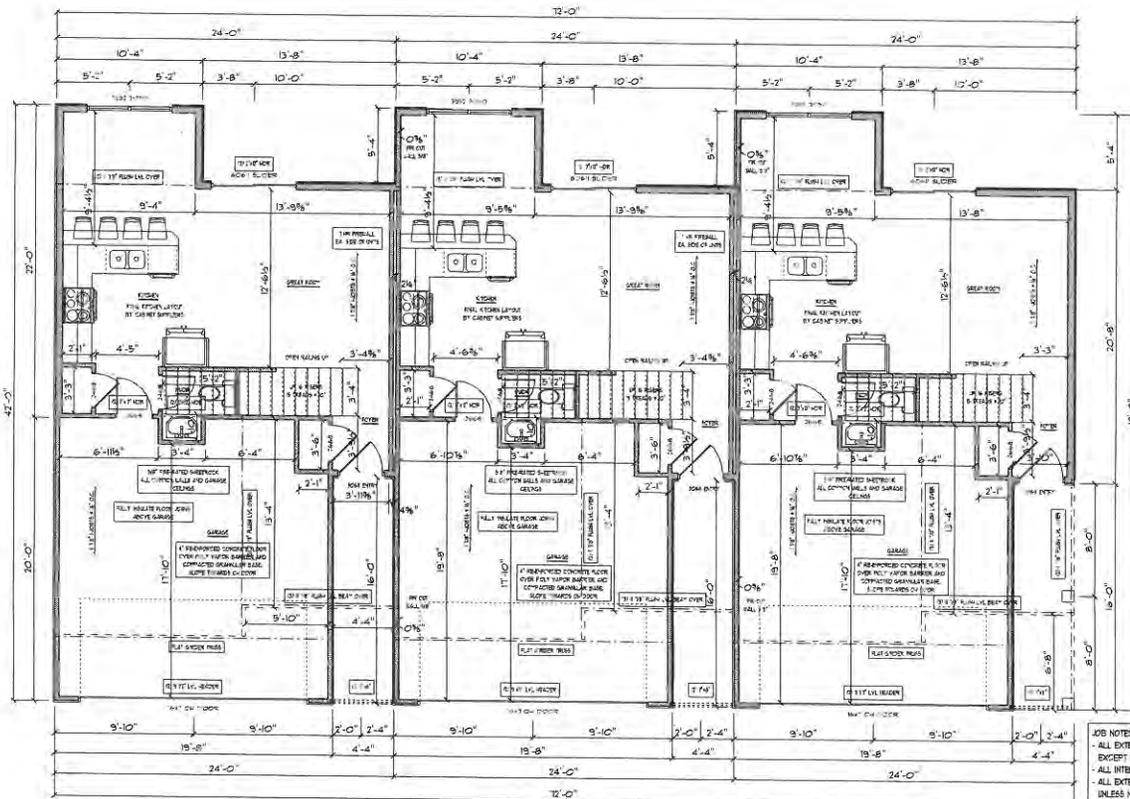
**BAGBY CONSTRUCTION**  
BRAD BAGBY (309)314-4142

**DRAWN BY:**  
DAVE LUDIN

**REVISIONS:**  
1-15 PRELIM  
2-28-15 REVISION  
3-25-15 REVISION  
5-18-15 FINALS

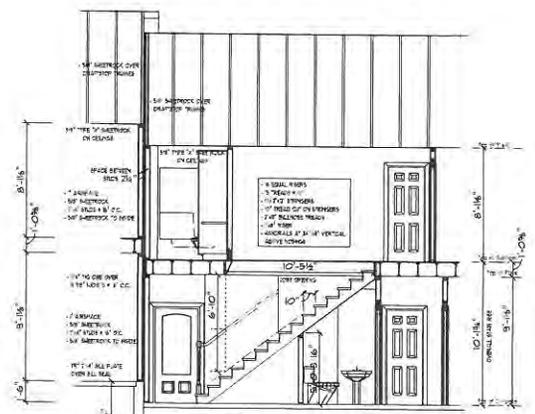


**DRAWING:**  
1 OF 4

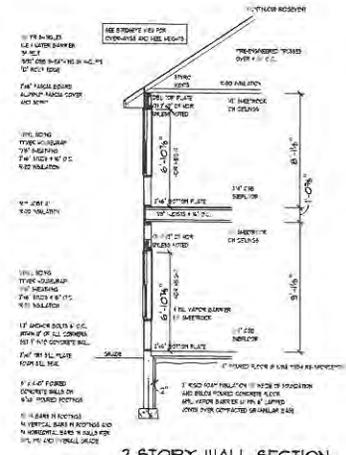


**FLOOR PLAN**  
SCALE: 1/4" = 1'-0"  
1ST FLOOR: 471 S.F. EA. UNIT  
2ND FLOOR: 33 S.F. EA. UNIT  
TOTAL FINISHED: 1000 S.F. EA. UNIT

- JOB NOTES:**
- ALL EXTERIOR WALLS MEASURE 6" 1/2" STUD - 1/2" OSB SHEET EXCEPT WHERE NOTED
  - ALL INTERIOR WALLS MEASURE 3/4"
  - ALL EXTERIOR GARAGE WALLS MEASURE 4" (3 1/2" STUD - 1/2" OSB SHEET) UNLESS NOTED OTHERWISE
  - ALL WALL HEIGHTS ARE 8'-0" U.N.D.
  - ALL WINDOW HEADER HEIGHTS ARE 6'-10" U.N.D.
  - ALL WINDOWS ARE NOTED AS SILVERLINE
  - ALL EXTERIOR HEADERS ARE (1) 2"x2" DP NO.2
  - ALL LVL MATERIAL @ 16" O.C.



**STAIR SECTION**  
SCALE: 1/4" = 1'-0"



**2 STORY WALL SECTION**  
SCALE: 1/4" = 1'-0"

THESE PLANS HAVE BEEN PREPARED AS A DRAFTING PREPARATION OF THESE PLANS TO PROVIDE ACCURATE DIMENSIONS AND CONFORMITY TO CURRENT BUILDING CODES. IT SHALL BE THE SOLE RESPONSIBILITY OF THE GENERAL CONTRACTOR TO VERIFY ALL DIMENSIONS AND FINISHES. THE ARCHITECT SHALL NOT BE RESPONSIBLE FOR ANY OMISSIONS OR ERRORS IN THESE PLANS.

**BIRDSEYE DESIGN**  
ARCHITECTS  
1000 N. W. 10TH AVE.  
SUITE 100  
MOLINE, IL 61908  
PH: 815.396.1111  
WWW.BIRDEYEDSIGN.COM

3-PLEX UNITS AT  
HAWK HOLLOW SUBDIVISION  
MOLINE, IL

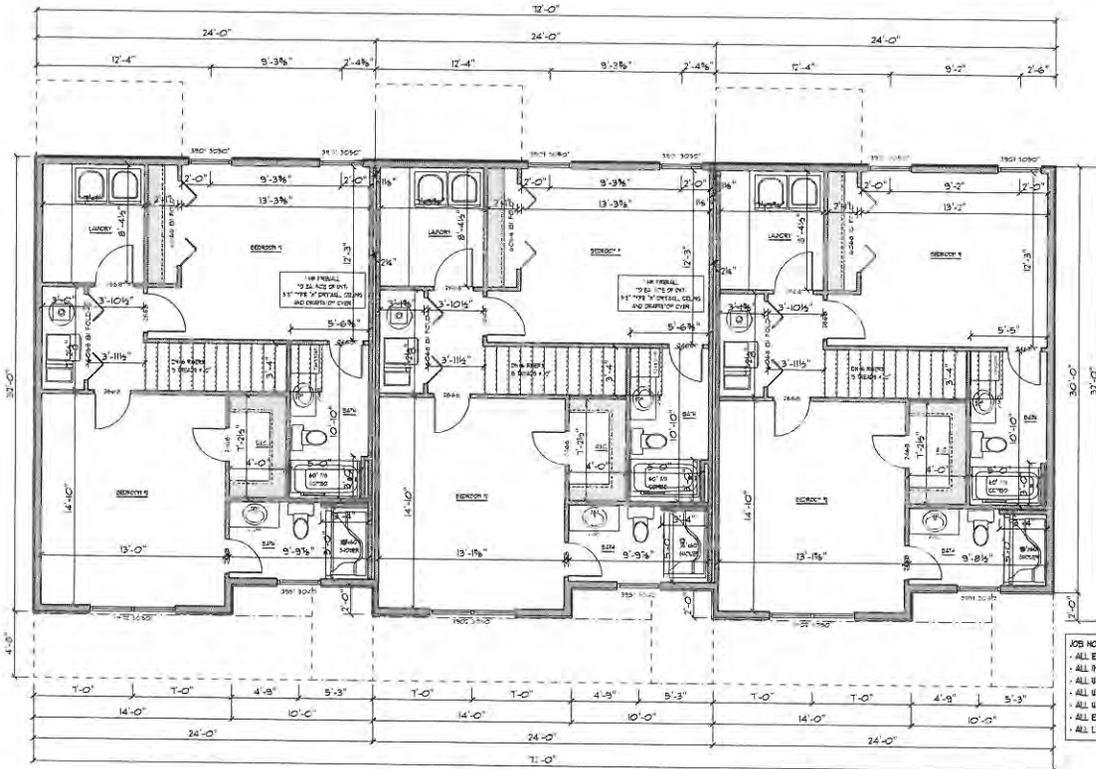
**BAGBY CONSTRUCTION**  
BRAD BAGBY (309)314-4142

**DRAWN BY:**  
DAVE LUDIN

**REVISIONS:**  
12-15 PRELIM  
5-18-15 REVISION  
9-05-15 REVISION  
9-16-15 FINALS



**DRAWING:**  
2 OF 4



**2ND FLOOR PLAN**  
 SCALE: 1/4" = 1'-0"  
 2ND FLOOR PLAN - 25 SF. EA. UNIT

- JOB NOTES:**
- ALL EXTERIOR WALLS MEASURE 6" @ 12" STUD - 1/2" OSB GIRTS
  - ALL INTERIOR WALLS MEASURE 3 1/2"
  - ALL WALL HEIGHTS ARE 8'4 1/8" UNO.
  - ALL WINDOW HEADER HEIGHTS ARE 6'-10 1/8" UNO.
  - ALL WINDOWS ARE NOTED AS SILVERLINE
  - ALL EXTERIOR HEADERS ARE 11" 2X8" DP NO.3
  - ALL LVL MATERIAL IS 2.0E

THESE PLANS HAVE BEEN PREPARED AS A DRAFTING SERVICE AND ARE NOT TO BE USED FOR THE PREPARATION OF THESE PLANS TO PROVIDE ACCURATE INFORMATION. THE ARCHITECT ASSUMES NO LIABILITY, ALTHOUGH A CONTRACT GUARANTEE AGAINST HUMAN ERROR. IT SHALL BE THE SOLE RESPONSIBILITY OF THE GENERAL CONTRACTOR TO VERIFY ALL DIMENSIONS AND FINISHING DETAILS WITH ALL SUBCONTRACTORS AND OWNERS. THEREFORE RELINQUISH ANY LIABILITY WITH THE FURNISHING OF THESE PLANS.



3-PLEX UNITS AT  
**HAWK HOLLOW SUBDIVISION**  
 MOLINE, IL

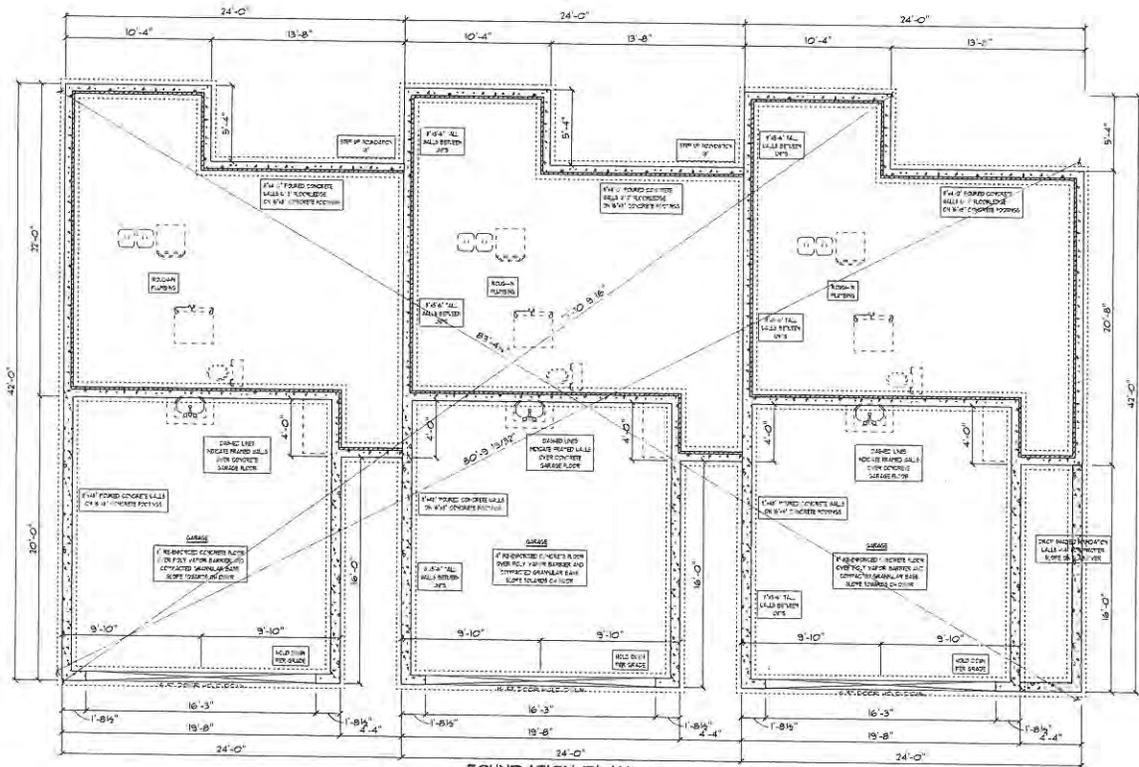
**BAGBY CONSTRUCTION**  
 BRAD BAGBY (309)314-4142

**DRAWN BY:**  
 DAVE LUDIN

**REVISIONS:**  
 12-15 PRELIM  
 6-28-8 REVISION  
 9-05-8 REVISION  
 9-6-8 FINALS



**DRAWING:**  
 3 OF 4



FOUNDATION PLAN  
SCALE: 1/4" = 1'-0"

THESE PLANS HAVE BEEN PREPARED AS A DRAFTING PREPARATION OF THESE PLANS TO PROVIDE ACCURATE DIMENSIONS AND CONFORMITY TO UNIFORM BUILDING CODES. IT SHALL BE THE SOLE RESPONSIBILITY OF THE GENERAL CONTRACTOR TO VERIFY ALL DIMENSIONS AND CONDITIONS BEFORE BEGINNING ANY LABOR. THE ARCHITECT SHALL BE RESPONSIBLE FOR ALL CONSTRUCTION AND FINISHES. THEREFORE RELIANCE ON ANY LIABILITY WITH THE FINDER OF THESE PLANS.



3-PLEX UNITS AT  
HAWK HOLLOW SUBDIVISION  
MOLINE, IL



DRAWN BY:  
DAVE LUDIN

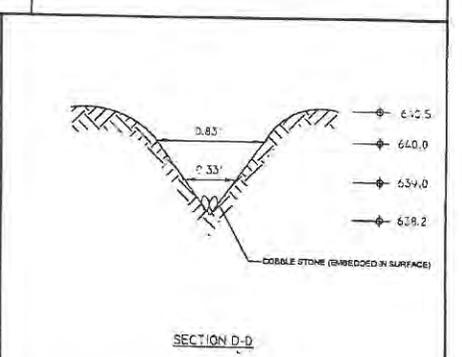
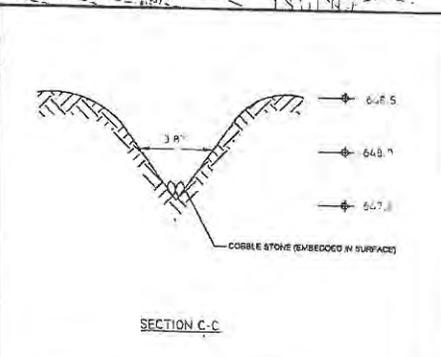
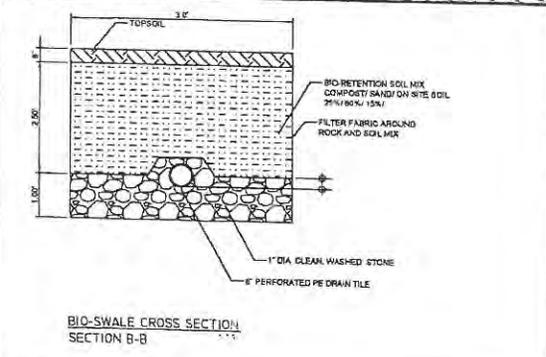
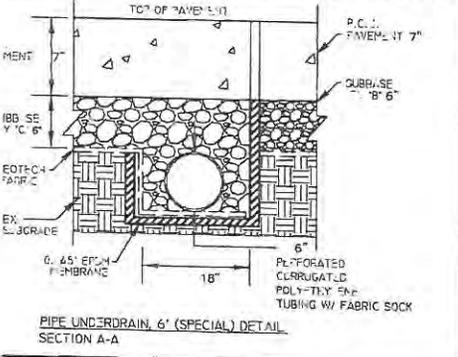
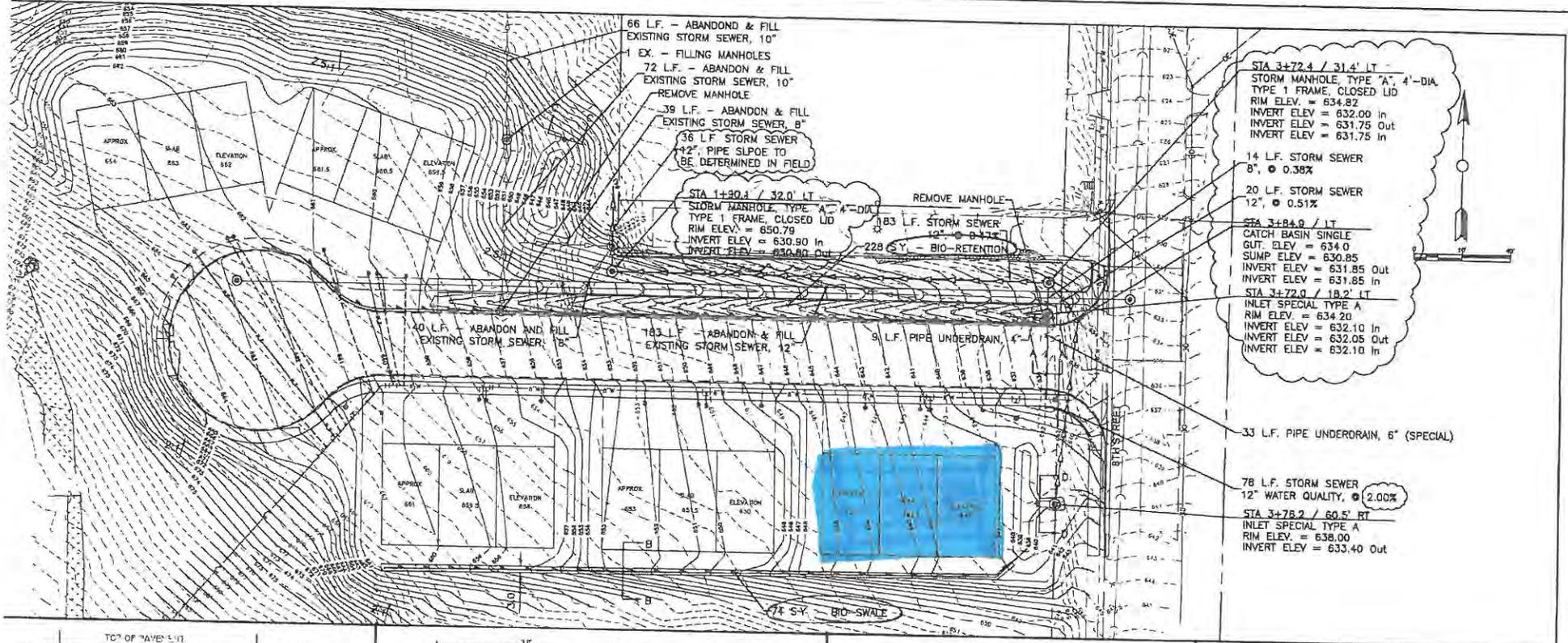
REVISIONS:  
1-10 PRELIM  
8-29-9 REVISION  
9-05-9 REVISION  
9-18-9 FINALS



DRAWING:  
4 OF 4

# Exhibit B

Blue shaded area denotes responsibility of Purchaser



CITY OF  
 Moline  
 ILLINOIS

CITY OF MOLINE  
 DEPARTMENT OF PUBLIC WORKS - ENGINEERING DIVISION  
 3635 4TH AVENUE, MOLINE, IL 61265  
 (309) 524-2350  
 CITY ENGINEER - SCOTT HINTON, P.E.

**HAWK HOLLOW**  
 6TH AVENUE CT, W. OF 8TH STREET  
 STORM SEWER

Date	7-15-15	Sheet	15
Scale	1:20	of	20
Design Engineer	JWC	Project	#1188

9/30/13 STORM SEWER

Council Bill/Special Ordinance No. 4015-2016

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

A SPECIAL ORDINANCE

AUTHORIZING the Mayor and City Clerk to execute a Performance Based Development Agreement between the City of Moline and KAS Company, Inc. for the “Autumn Trails” project and to execute any necessary agreements referenced therein; and

AUTHORIZING all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreement.

\_\_\_\_\_

WHEREAS, KAS Company, Inc. (“Developer”) seeks to enter into a Performance Based Development Agreement with the City to facilitate redevelopment of the property consisting of the following properties: (08)9429, 220 12th Avenue; (08)9430, 224 12th Avenue; (08)9431, 230 12th Avenue; (08)9432, 234 12th Avenue; (08)9433, 238 12th Avenue; (08)9434, 244 12th Avenue; (08)9435, 247 12th Avenue; (08)9436, 243 12th Avenue; (08)9437, 239 12th Avenue; (08)9438, 235 12th Avenue; (08)9439, 231 12th Avenue; (08)9446, 280 12th Avenue; (08)9445, (Lot 33); and Outlots A, B and C, inclusive, known as the Autumn Trails (“Project”); and

WHEREAS, the Project will consist of Developer seeking a clear title to the property, paying all delinquent property taxes, completing the reconstruction, rehabilitation and repair of the two unoccupied units, and completing the development which contains nine additional units; and

WHEREAS, the City wishes to support the redevelopment within the Project through the granting of certain lawful incentives to Developer, including but not limited to those available through Tax Increment Financing (“TIF”) pursuant to the Tax Increment Allocation Redevelopment Act, found generally at 65 ILCS 5/11-74.4-1 et. seq. (the “Act” or the “TIF Act”); 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.

WHEREAS, 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

WHEREAS, the City believes that the Redevelopment Project to be located on the Property and the fulfillment generally of the terms of this Development Agreement are in the vital and best interest of the City and its residents.

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

**Section 1** – That the Mayor and City Clerk are hereby authorized to execute a Development Agreement between the City of Moline and KAS Company, Inc., for the Autumn Trails project and to execute any necessary agreements referenced therein; provided, however, that said Agreement is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

**Section 2** - all appropriate City officers and staff are hereby authorized to do all things necessary to complete each of the City’s responsibilities pursuant to said agreement;

**Section 3** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

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**  
**KAS COMPANY, INC.**

This Development Agreement made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2016 (“Effective Date”), by and between the City of Moline, an Illinois municipal corporation (“City”), and **KAS COMPANY, INC.**, an Iowa corporation, duly registered to do business in the State of Illinois (“Developer”), and collectively the “Parties.”

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 (“TIF”) District #4 Autumn Trails enacted pursuant to the Illinois 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) consisting of the following properties, (08)9429, 220 12th Avenue; (08)9430, 224 12th Avenue; (08)9431, 230 12th Avenue; (08)9432, 234 12th Avenue; (08)9433, 238 12th Avenue; (08)9434, 244 12th Avenue; (08)9435, 247 12th Avenue; (08)9436, 243 12th Avenue; (08)9437, 239 12th Avenue; (08)9438, 235 12th Avenue; (08)9439, 231 12th Avenue; (08)9446, 280 12th Avenue; (08)9445, (Lot 33); and Outlots A, B and C, inclusive, which shall be known as Autumn Trails; and

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

- i. Proof of Title. The Developer, in a separate agreement with Midwest One Bank, will negotiate the acquisition of the interest in the property and diligently seek clear title to the Property.
- ii. The Developer shall pay all Rock Island County Delinquent real estate taxes, through the date that Developer acquires clear title to the Property, which shall qualify as part of the cost of acquisition of the Property.
- iii. The Developer shall complete the reconstruction, rehabilitation and repair of the existing private building, containing the two (2) unoccupied units at 220 and 224 12<sup>th</sup> Avenue, and list them for sale or facilitate a private sale, within two (2) years from the date Developer obtains clear title to the Property.
- iv. The Developer shall act as the General Contractor for the completion of the balance of the units. It is anticipated that a minimum of one (1) unit per year beginning in a period of twelve (12) months, or one (1) year, after Developer obtains clear title to the Property, during 2017, and continuing each subsequent year until all proposed units are constructed and listed for sale or sold.

- v. The Developer has indicated that the lots located at 231, 235, 239, 243 and 247 12<sup>th</sup> Avenue may be amended into four (4) lots and two (2) duplex buildings will be constructed for a total of four (4) units and listed for sale or sold, or may be developed as a five (5) unit building.
- vi. The Developer indicates that lots 230 and 234 12<sup>th</sup> Avenue as well as 238 and 244 12<sup>th</sup> Avenue will contain two (2) duplex buildings for a total of four (4) units which will be completed and listed for sale or sold.
- vii. The Developer indicates that a new single family residence will be built at 280 12<sup>th</sup> Avenue or, in the alternative, Developer may sell the land to the owner of the adjoining residence.
- viii. The Developer agrees to follow all City of Moline Codes and Ordinances related to the development of the project and that the covenants and restrictions recorded with the original subdivision and development shall be adhered to.
- ix. The Developer retains the option to sell any lot to a contractor for the development of the lot, in the event his health would require, which must be completed in accordance with the covenants, the time schedule set forth in this agreement, and all other terms of this agreement, and subject to the terms of Section VIII, Assignment, herein.

The foregoing elements shall hereinafter be collectively referred to as the "Redevelopment Project," as depicted in Exhibit A, unless individually identified; and

WHEREAS, the Redevelopment Project is to take place upon that certain real property described above as the following properties, (08)9429, 220 12th Avenue; (08)9430, 224 12th Avenue; (08)9431, 230 12th Avenue; (08)9432, 234 12th Avenue; (08)9433, 238 12th Avenue; (08)9434, 244 12th Avenue; (08)9435, 247 12th Avenue; (08)9436, 243 12th Avenue; (08)9437, 239 12th Avenue; (08)9438, 235 12th Avenue; (08)9439, 231 12th Avenue; (08)9446, 280 12th Avenue; (08)9445, (Lot 33), and Outlots A, B and C, inclusive, which is more particularly described in Exhibit B, "Legal Description," attached hereto and incorporated herein by this reference thereto ("Property"); and

WHEREAS, it is necessary for the successful completion of the Redevelopment 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

WHEREAS, the City wishes to assist private developers in carrying out projects that expand employment opportunities and create commercial enterprises and residential development 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 C, attached hereto and incorporated by reference herein:

- A. Creation of a Tax Increment Financing District. The City of Moline adopted Council Bill/General Ordinance No. 3061-2005 on September 27, 2005, which provided for the creation of a new TIF District for the Bethany Property Redevelopment Project Area. The City created the TIF district to provide for the reimbursement of eligible expenses from the Redevelopment Project (and possibly future phases) incurred by a developer of the site.
- B. Maximum TIF Payment. The City's total payment to Developer paid from the net incremental annual real estate tax generated by the Redevelopment Project under this section shall not extend beyond December 31, 2028, which is the expiration date of the TIF district.

The estimated total project cost for all phases of the Redevelopment Project is Two Million Two Hundred Sixty Seven Thousand Dollars (\$2,267,000). Fifteen percent (15%) of the total project cost equals Three Hundred Forty Thousand Fifty Dollars (\$340,050). In no event shall the maximum total assistance to Developer from the City ever exceed Three Hundred Forty Thousand Fifty Dollars (\$340,050) distributed from the property tax rebate. The following shall be reimbursed immediately, subject to the availability of increment generated from within the TIF referenced in Paragraph I(A), and subject to the following conditions:

1. Reimbursement of \$100,000.00 or the total negotiated amount of the Interest in the Midwest One Bank Note/Mortgage for the subject property,

and other cost associated with property acquisition payable from the TIF #4 Redevelopment Fund under the following conditions:

- a. The City will reimburse the Developer for the amount equal to the total negotiated price of One Hundred Thousand Dollars (\$100,000.00), for the Interest in the Note/Mortgage with Midwest One Bank for all of the properties described in Exhibit B, on the following schedule: 1) The payment of Fifty Thousand Dollars (\$50,000.00) once the Development Agreement is approved and proof that assignment of the notes and mortgages have been secured from the bank; 2) The payment of Twenty Five Thousand Dollars (\$25,000.00) once proof that the mortgage foreclosure has been initiated; and 3) The payment of Twenty Five Thousand Dollars (\$25,000.00) once the Title to the Property has been secured, by order of court, in the mortgage foreclosure suit to be filed by Developer.
- b. The City will reimburse the Developer for the payment of outstanding nuisance abatement fees once they have been paid to the City of Moline;
- c. The City will reimburse the Developer for the Rock Island County Delinquent property taxes once they have been paid, within twenty one (21) days after Developer has presented its written request for reimbursement to the City, with the County Collector's property tax receipt attached; and for any property taxes accrued and which are a lien on the parcels, up until the Developer attains clear title to the subject lots.
- d. The City will reimburse the Developer for the costs of the reconstruction, rehabilitation, and repair of the existing private building containing unoccupied units at 220 and 224 12<sup>th</sup> Avenue, as a "Redevelopment Project Cost," as authorized under 65 ILCS 5/11-74.4-3(q)(3).
- e. The City will reimburse the Developer for legal fees and expenses, and all other eligible expenses of the Developer.
- f. All reimbursements made by the City to the Developer, shall be made within thirty (30) days of the Developer presenting its request for reimbursement, with paid invoices to the City being attached, subject to the availability of funds within the TIF increment account, and final approval by the City finding that said reimbursement is in accordance with this Agreement, and the Tax Increment Allocation Redevelopment Act.

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%). Therefore, the total incremental annual real estate taxes due to Developer shall not exceed 15% of the total

Redevelopment Project cost or Three Hundred Forty Thousand Fifty Dollars (\$340,050), whichever is less (“Maximum TIF Payment”).

C. Payment of Net Incremental Real Estate Taxes.

The City shall pay the net incremental annual real estate tax as it becomes available to reimburse Developer for eligible expenses. It is estimated that the TIF District will generate approximately \$190,000 in 2016, which would be enough to cover reimbursement of the items in B.1. If there is not sufficient increment generated for reimbursement for these costs in 2016, the increment will be paid as soon as it is generated and available.

The net incremental annual real estate taxes paid to the City shall be reimbursed to the Developer only for eligible redevelopment costs under the Act (65 ILCS 5/11-74.4-3).

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 costs (see Exhibit D) incurred or incidental to the Project.

E. Final Payment. Upon final payment to reach the Maximum TIF Payment or upon expiration of the TIF district, 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. 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.

H. 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.

I. No Other Incentives. The City agrees to rebate a percentage of the tax increment generated from the Redevelopment Project and use the remaining TIF funds to offset the existing deficit in the TIF District and, therefore, the City will offer no other incentives or contributions to the Developer or other developers of the Property as long as this Agreement is in effect.

- J. Enterprise Zone Benefits. 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. City will cooperate and assist Developer in its application for all Enterprise Zone benefits, if any, but City does not warrant or assure or guarantee that any such benefits will be available to Developer.
  
- K. Prevailing Wage. 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.

**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. The Redevelopment Project shall be completed in accordance with the Development Timetable as set forth in Exhibit C.
  
- B. Project Elements. Developer agrees to complete the following Redevelopment Project elements in accordance with the Development Timetable depicted in Exhibit C:
  - i. Proof of Title. The Developer, in a separate agreement with MidWestOne Bank, will negotiate the acquisition of the interest in the property and diligently seek clear title to the property.
  - ii. The Developer shall pay all Rock Island County Delinquent real estate taxes, through the date that Developer acquires clear title to the Property, which shall qualify as part of the cost of acquisition of the Property.

- iii. The Developer shall complete the reconstruction, rehabilitation and repair of the two (2) unoccupied units at 220 and 224 12<sup>th</sup> Avenue and list them for sale or facilitate a private sale.
- iv. The Developer shall act as the General Contractor for the completion of the balance of the units. It is anticipated that a minimum of one (1) unit per year beginning in a period of twelve (12) months, or one (1) year, after Developer obtains clear title to the Property, and continuing each subsequent year until all proposed units are constructed and listed for sale or sold.
- v. The Developer has indicated that the lots located at 231, 235, 239, 243 and 247 12<sup>th</sup> Avenue may be amended into four (4) lots and two (2) duplex buildings will be constructed for a total of four (4) units and listed for sale or sold, or may be developed as a five (5) unit building.
- vi. The Developer indicates that lots 230 and 234 12<sup>th</sup> Avenue as well as 238 and 244 12<sup>th</sup> Avenue will contain 2 duplex buildings for a total of 4 units which will be completed and listed for sale or sold.
- vii. The Developer indicates that a new single family home will be built at 280 12<sup>th</sup> Avenue or, in the alternative, Developer may sell the land to the owner of the adjoining residence on 08-190-1.
- viii. The Developer agrees to follow all City of Moline Codes and Ordinances.
- ix. The Developer retains the option to sell any lot to a contractor for the development of the lot, in the event his health would require, which must be completed in accordance with the covenants, the time schedule set forth in this agreement, and all other terms of this agreement, and subject to the terms of Section VIII, Assignment, herein.

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 Building Official shall have approved all building plans submitted and agrees to follow all requirements of the City Code.

D. Assessed Valuation. Because the Redevelopment Project is to be done in Phases, there will be no minimum equalized assessed value.

### 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.

**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 corporation, 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 shareholders 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 of attorney(s) mutually agreed upon by the City and Developer, 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.

**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).

Notwithstanding the foregoing, the Developer may without City's consent, assign this Agreement to any Related Entity or Successor (as such terms are defined below).

"Related Entity" means any corporation or other business entity which controls, is controlled by or is under common control with the Developer. For purposes of the preceding sentence, "control" means either (i) ownership or voting control, directly or indirectly, of 50% or more of the voting stock, partnership interests or other beneficial ownership interests of the entity in question, or (ii) the power to direct the management and policies of such entity.

"Successor" means an entity resulting from a merger, consolidation, reorganization or recapitalization of or with the Developer.

For the purposes of this section, 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 Two Million Dollars (\$2,000,000.00). 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: KAS Company, Inc.  
633 Main Street  
POB 325  
Mediapolis, IA 52637

WITH A COPY TO: William T. Phares  
4500 Kennedy Drive  
East Moline, IL 61244

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. TERMINATION.**

This Agreement shall automatically terminate once the Maximum TIF Payment has been reached or by December 31, 2028, whichever occurs first.



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

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared **DANIEL J. WEBER**, to me personally known, who being by me duly sworn (or affirmed) did say that he is President of **KAS COMPANY, INC.**, and that said instrument was signed on behalf of the Corporation; and, as such President, acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.

(seal)

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

**EXHIBIT A**  
**PLAT OF PROJECT**  
**See Attached Page**



**EXHIBIT B**

**LEGAL DESCRIPTION**

Lots 17-27, inclusive, Lots 33 and 34, and Outlots A through C, inclusive, of Autumn Trails Addition to the City of Moline, situated in Rock Island County, Illinois; according to the plat thereof recorded August 29, 2005, in Plat Book 47, Page 383, as Document No. 2005-21884.

**EXHIBIT C**  
**DEVELOPMENT TIMETABLE**

- i. Proof of Title. The Developer, in a separate agreement with Midwest One Bank, will negotiate the acquisition of the interest in the property and diligently seek clear title to the Property.
  - ii. The Developer shall bring all Rock Island Delinquent taxes current as of December 31, 2015. It is estimated that the balance as of November 23, 2015 is \$29,035.52.
  - iii. The Developer shall complete the reconstruction, rehabilitation and repair of the existing private building, containing the two (2) unoccupied units at 220 and 224 12<sup>th</sup> Avenue, and list them for sale or facilitate a private sale, within two (2) years from the date Developer obtains clear title to the Property.
  - iv. The Developer shall act as the General Contractor for the completion of the balance of the units. It is anticipated that a minimum of one (1) unit per year beginning in a period of twelve (12) months, or one (1) year, after Developer obtains clear title to the Property, during 2017, and continuing each subsequent year until all proposed units are constructed and listed for sale or sold.
  - v. The Developer has indicated that the lots located at 231, 235, 239, 243 and 247 12<sup>th</sup> Avenue may be amended into four (4) lots and two (2) duplex buildings will be constructed for a total of four (4) units and listed for sale or sold, or may be developed as a five (5) unit building.
  - vi. The Developer indicates that lots 230 and 234 12<sup>th</sup> Avenue as well as 238 and 244 12<sup>th</sup> Avenue will contain two (2) duplex buildings for a total of four (4) units which will be completed and listed for sale or sold.
  - vii. The Developer indicates that a new single family residence will be built at 280 12<sup>th</sup> Avenue or, in the alternative, Developer may sell the land to the owner of the adjoining residence.
  - viii. The Developer agrees to follow all City of Moline Codes and Ordinances related to the development of the project and that the covenants and restrictions recorded with the original subdivision and development shall be adhered to.
  - ix. The Developer retains the option to sell any lot to a contractor for the development of the lot, in the event his health would require, which must be completed in accordance with the covenants, the time schedule set forth in this agreement, and all other terms of this agreement, and subject to the terms of Section VIII, Assignment, herein.

## **EXHIBIT D**

### **REDEVELOPMENT COSTS**

#### **Costs 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
- Public Improvements, including sidewalks and driveway approaches to sidewalks, for all residences constructed or reconstructed.

A SPECIAL ORDINANCE

CLOSING certain streets more particularly described herein to vehicular traffic; and

AUTHORIZING the use of public right-of-way in conjunction with the Kiwanis Bags  
Tournament scheduled for Saturday, April 23, 2016.

WHEREAS, special events add value to the residents, visitors and business to the City of Moline; and

WHEREAS, the Special Events Committee has reviewed and approved the application for this event;  
and

WHEREAS, the coordinator of this event has signed a City Council approved licensing agreement so  
as to save harmless the municipality from all financial loss, damage or harm and has provided insurance  
listing the City of Moline as additional insured.

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

**Section 1** - That this Council hereby authorizes and directs the Mayor, Director of Public Works and  
Police Chief to erect barricades and post temporary signs, if necessary, for the purpose of closing the  
following designated roadways to vehicular traffic during the specified times mentioned herein:

The N-Lot

Saturday, April 23, 2016, from 7:00 a.m. to 6:00 p.m.

**Section 2** - That this ordinance shall constitute a one-time variance with the Moline Code of  
Ordinances and any other ordinance or resolutions with which it may conflict and shall not be considered to  
repeal, alter or void such ordinances or resolutions in conflict herewith.

**Section 3** - That this ordinance shall be in full force and effect from and after passage, approval, and if  
required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

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

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

Attest: \_\_\_\_\_

City Clerk

Approved as to Form:

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

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

A SPECIAL ORDINANCE

AUTHORIZING the Mayor and City Clerk to execute an Agreement and Estoppel between the City of Moline, Heritage Place Associates, LLC and CMFG Life Insurance Company.

WHEREAS, in 2006, Heritage Place Associates, LLC (“Heritage”) purchased the property at 1515 5<sup>th</sup> Avenue, Moline, now known as the Heritage Place Office Building, from HDC, Inc. (“HDC”); and

WHEREAS, to facilitate that sale, the City approved assignments of agreements previously executed by and between the City and HDC, to transfer HDC’s right, title and interest in and to the agreements to Heritage; those agreements include a still current lease agreement dated May 13, 1991, and amended July 2, 1991, that provides a leasehold interest in the property’s adjacent parking garage to Heritage; and

WHEREAS, the City also approved and executed an agreement and estoppel between the City, Heritage and its lender as an inducement to the lender to provide a loan to Heritage for the property purchase; and

WHEREAS, for purposes of refinancing, Heritage has requested that the City execute a similar agreement and estoppel between the City, Heritage and its new lender, CMFG Life Insurance Company (“CMFG”), as an inducement to the lender to provide a loan to Heritage, which will be secured in part by a lien granted by Heritage upon its rights and interests under the lease agreement; and

WHEREAS, the City agrees to execute the agreement and estoppel between the City, Heritage and CMFG pursuant to the terms contained therein.

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

**Section 1** – That the Mayor and City Clerk are hereby authorized to execute an Agreement and Estoppel between the City of Moline, Heritage Place Associates, LLC and CMFG Life Insurance Company; provided, however, that said document is in substantially similar form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit A and has been approved as to form by the City Attorney.

**Section 2** – That this ordinance shall be in full force and effect from and after passage, approval, and if required by law, publication in the manner provided for by law.

CITY OF MOLINE, ILLINOIS

\_\_\_\_\_  
Mayor

\_\_\_\_\_  
Date

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

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

Attest: \_\_\_\_\_

City Clerk

Approved as to Form:

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

## **AGREEMENT AND ESTOPPEL**

This Agreement and Estoppel ("**Agreement**") is executed as of the \_\_\_\_ day of \_\_\_\_\_, 2016 by THE CITY OF MOLINE, ILLINOIS ("**Lessor**"), whose address is 619 16th Street, Moline, Illinois 61265, for the benefit of CMFG Life Insurance Company, an Iowa corporation ("**Lender**"), whose address is 5910 Mineral Point Road, Madison, WI 53705 and for the benefit of HERITAGE PLACE ASSOCIATES, LLC, a Illinois limited liability company ("**Lessee**"), whose address is c/o Samco Properties, Inc., Attn: Sam Spiegel, 455 Fairway Drive, Suite 301, Deerfield Beach, Florida 33441.

### **RECITALS:**

**WHEREAS**, Lessor entered into a Lease Agreement with HDC, Inc., as predecessor in interest to Lessee, dated May 13, 1991, as amended by a certain Amendment to Lease Agreement dated July 2, 1991 (collectively, the "**Lease**"), pursuant to which Lessor granted to HDC, Inc., a leasehold interest in and to certain real property and the improvements thereon, together with all rights easements and interests appurtenant thereto (collectively, the "**Property**"), which real property is more particularly described on Exhibit A attached hereto and incorporated herein by this reference; and

**WHEREAS**, a copy of the Lease (including all amendments and modifications thereto) is attached hereto as Exhibit B and incorporated herein by this reference; and

**WHEREAS**, Lessor entered into a Developer Agreement with HDC, Inc., as predecessor in interest to Lessee, dated August 28, 1990, as amended by a certain Supplemental Developer Agreement dated May 13, 1991 (collectively, the "Developer Agreement"), which Developer Agreement provides, among other things, that certain payments be made to Lessee in accordance with the terms and conditions thereof; and

**WHEREAS**, a copy of the Developer Agreement (including all amendments and modifications thereto) is attached here to as Exhibit C and incorporated herein by this reference; and

**WHEREAS**, Lessee has acquired all of HDC, Inc.'s right, title and interest in and to the Lease and the Developer Agreement.

**WHEREAS**, as an accommodation to Lessee, Lessor has agreed to execute this Agreement for the benefit of Lender and Lessee with the understanding that Lender and Lessee are relying on the agreements set forth herein as an inducement to Lender in making a loan (the "**Loan**") to Lessee to be secured, in part, by a lien granted by Lessee upon Lessee's rights and interests in and under the Lease.

**NOW, THEREFORE**, for and in consideration of the premises, and for the sum of Ten Dollars (\$10.00) and other good and valuable consideration, the receipt and sufficiency of which consideration is hereby acknowledge and confessed, the parties hereto represent, covenant and agree as follows:

CMFG Life Insurance Company  
Agreement and Estoppel  
Heritage Place Office Building, Moline, IL

1. The recitals set forth above are true and correct and are incorporated herein by reference.

2. Lessor consents to the execution and delivery by Lessee to Lender of a Fee and Leasehold Mortgage and Security Agreement and Fixture Financing Statement (the "Security Instrument") covering, in part, Lessee's leasehold interest in and to the Property and the recording of the same in the applicable real property public records, such Security Instrument at all times remaining subject to Paragraph 22 of the Lease, with Lender being entitled to all of the benefits of a "Mortgagee", as such term is defined in said Paragraph 22. Lessor also consents to the execution and delivery by Lessee, and the filing and/or recording in the appropriate public records, of such additional documents and instruments as Lender may deem necessary or desirable to establish, perfect and maintain a lien upon and against Lessee's said leasehold interests, including, but not limited to, Uniform Commercial Code financing statements and such other documents, instruments and agreements as Lender may hereafter deem necessary or desirable in connection with the creation, grant, maintenance or enforcement of said lien, including, but not limited to, any such documents and instruments executed in connection with any renewal, extension and/or modification of such lien.

3. Lessor and Lessee represent that the obligations of the Developer Agreement have been satisfied

4. Lessor represents that no default under the term of the Lease by either Lessor or Lessee has occurred and is continuing at this time, nor does there exist any condition or event which with notice, the passage of time, or both would constitute a default by any party thereunder.

5. In the event of any default or event of default by Lessee under the Lease, or in the event Lessee shall fail to perform or observe any of the terms, conditions or agreements in the Lease, Lessor shall give written notice to Lender at the address indicated above ( or such other address as Lender may indicate by notice hereafter to Lessor in writing) and Lender shall have the right (but not the obligation) to cure such default or failure within thirty (30) days following Lender's receipt of such notice; and Lessor shall not take any action with respect to such failure under the Lease, including without limitation any action intended to terminate, rescind or avoid the Lease or Lessee's tenancy or possession thereunder, for such time period. Without limiting the foregoing, Lessor agrees that no default and no termination of the Lease, as applicable, shall be effective unless notice shall first have been given to Lender in accordance with the terms of this Agreement. Lessor further agrees that where any default under the Lease is not capable of or subject to cure, or in the event of the bankruptcy or insolvency of Lessee, Lender shall have the option (upon written notice to Lessor) to enter into a new lease with Lessor for the then remaining term of the Lease following the termination of the Lease by Lessor or the rejection of the Lease by a bankruptcy trustee under applicable laws. Lessor hereby confirms with respect to any such new lease that it shall promptly assign to Lender all subleases.

6. Lessor consents to the exercise by Lender of any and all rights and remedies permitted under the Security Instrument and such other documents as may be executed by Lessee in connection with the Loan, and to the exercise of such additional legal and equitable

rights and remedies as may be available to Lender, in the event of a default under the Loan. Furthermore, Lessor expressly agrees that neither the execution, delivery and/or recording of the Security Instrument, nor the execution, delivery and/or recording or filing of any other instrument or agreement by Lessee or Lender in connection with the Security Instrument, nor any other matters to which Lessor has given its consent herein, shall ever be deemed to constitute a default or event of default under the Lease.

7. In the event Lender shall ever become the owner of the rights and interests of Lessee in and to the Property and the Lease by reason of judicial foreclosure, nonjudicial trustee's sale or other proceedings brought by Lender to enforce its rights under the Security Instrument, or through any other means or matter in connection with the Loan, Lender shall be deemed to be Lessee's successor and assignee under the Lease and Developer Agreement (notwithstanding anything in either document prohibiting or restricting assignment by the Lessee or establishing conditions under which an assignment by the Lessee would be permitted) and shall be entitled to all rights, benefits and privileges of the Lessee under the Lease; and Lessor shall be bound to Lender under all of the terms, covenants and conditions of the Lease for the balance of the term thereof remaining and any renewal or extension period of the Lease duly exercised as required by the Lease, all without the need to execute any further instruments on the part of Lessor, Lessee or Lender to make such succession and assignment effective and binding upon Lessor. Provided, however, that Lender or its direct successors or assigns shall not be (i) liable for any past due rent or other expenses due from Lessee under the Lease, (ii) liable for any action or omission of Lessee, or (iii) bound by amendment or modifications of the Lease made without Lender's advance written consent (which consent shall not be unreasonable withheld). Notwithstanding anything contained in the Lease to the contrary, Lender shall be entitled to assign its interest under the Lease to any third party with notice to and the consent of Lessor, which consent shall not be unreasonably withheld, conditioned, or delayed.

8. Notwithstanding anything to the contrary set forth or contained in the Lease, Lessor hereby waives any contractual and/or statutory liens and any rights of distress with respect to the property of Lessee (or Lessee's sublessees, successors, or assigns, including Lender) from time to time located within or upon the Property ("**Lessee's Property**"), during the term of the Lease or any extension thereof. It is hereby covenanted and agreed by Lessor that the Lease does not and will not, from and after this date, be construed or deemed to grant a contractual lien or any other security interest to Lessor or in favor of Lessor with respect to Lessee's Property. Lessor agrees to execute and deliver such other instruments as may be reasonably requested by Lessee or Lender from time to time evidence or confirm this waiver by Lessor.

9. The Lease shall not be amended or modified in any manner or respect without the prior written consent of Lender and an purported amendment or consent made without such consent shall be ineffective and void as to Lender. Lessor and Lessee warrant and represent that the copy of the Lease and other written documents attached hereto as Exhibit B are true, correct and complete copies of the Lease and that the Lease is in full force and effect and has not been amended or modifies except as disclosed in Exhibit B attached hereto and incorporated herein by this reference. Lessor hereby agrees that the Lease shall not shall be

terminated or canceled, nor shall a surrender of the Property be accepted, without written consent of Lender. Lessor and Lessee warrant and represent that the copy of the Developer Agreement and other written documents attached hereto as Exhibit C are true, correct and complete copies of the Developer Agreement. Other than the Lease and the Developer Agreement (and any amendments thereto as are described herein), there are no other agreements, written or oral, between Lessor and Lessee regarding the Lease, the Developer Agreement or the Property. The Lessor has not assigned the Lease or otherwise transferred any interest in or under the Lease.

10. Lessor hereby confirms that the Security Instrument shall not be subject or subordinate to any mortgage encumbering the fee estate of the Property.

11. Lessor hereby agrees that, absent an uncured default under the Lease by Lessee, it shall not disturb the possession, interest or quiet enjoyment of Lessee in any manner which would materially adversely affect the security provided by the Lease and the Security Instrument.

12. Lessor hereby agrees that, notwithstanding anything in the Lease to the contrary, all casualty insurance proceeds will be applied either to the repair or restoration of any part of the Property or to the payment of the outstanding principal of the Loan, together with any accrued interest thereon, all in accordance with the terms and conditions of the Security Instrument.

13. Lessor hereby certifies as follows:

(a) Lessor is the owner of the fee simple estate in the Property and is the Lessor under the Lease.

(b) Lessor has not mortgaged the fee simple estate in the Property and there are currently no fee simple mortgages, deeds of trust or other security interests encumbering the fee estate in the Property. Lessor is not insolvent, has not declared bankruptcy and has no present intention of doing so, and no such proceeding has been threatened or commenced.

(c) To the best of Lessor's knowledge, each of the obligation on Lessee's part to be performed to date under the Lease and the Developer Agreement have been performed.

(d) To the best of Lessor's knowledge, there are not offsets, counterclaims, defenses, deductions or credits whatsoever with respect to the Lease or the Developer Agreement.

(e) There are, with respect to the Lease, no options to renew or extend, and no security deposits or prepaid rent or liens, except as set forth therein.

(f) The current base rent payable under the Lease is \$1.00 per annum. All rent and other charges payable under the Lease have been paid in full through the date hereof.

(g) The Lease is in full force and effect and is the valid and binding obligation of Lessor. The initial term of the Lease commenced on March 20, 1992 and is the agreed upon date of the initial Certificate of Occupancy being issued for Heritage Place as provided in Section 3.1 of the Lease. The term of the Lease shall expire on March 20, 2031.

14. For the purposes of this Agreement, the term "Lender" shall include its successors and assigns including, but not limited to, any person who acquires Lessee's interest under the Lease pursuant to a foreclosure of the Security Instrument. For purposes of this Agreement, the term "**Lessee**" shall include its successors and assigns, including but not limited to, any person who acquires Lessee's interest under the Lease pursuant to an assignment of interest. All references herein to Lessor and Lessee shall likewise include the respective personal representatives, heirs, successors and assigns for each such party (including, without limitation, any person, party or entity to whom either Lessor's and/or Lessee's respective rights and interests in and under the Lease may be assigned). This agreement shall accordingly be binding upon and shall inure to the benefit of the parties hereto and their respective heirs, legal representatives, successors and assigns.

15. Lessor represents and warrants to Lender that no consent or joinder of any other party is required to Lessor's execution of this Agreement.

16. This Agreement may not be withdrawn, amended or modified except by a written agreement executed by all of Lessor, Lessee and Lender.

17. All notices, requests, consents, demands and other communications relating to this Agreement shall be writing and shall be deemed sufficiently given if (a) sent by certified or registered mail with postage prepaid, return receipt requested, properly addressed to the applicable party at the address set forth below; (b) delivered in person to the address set forth below for the party to whom the notice is given; (c) deposited into the custody of a nationally recognized overnight delivery service, addressed to such party at the address specified below; or (d) sent by facsimile, telegram or telex provided that such facsimile, telegram or telex is verified by the sender and followed by a notice sent in accordance with one of the other provisions set forth above. Notices shall be effective on the date of delivery or receipt, or, if delivery is not accepted, on the earlier of the date that delivery is refused or five (5) days after the date the notice is mailed. For purposes of this section, the addresses of the parties for all notices are set forth below (unless changed by similar notice in writing given by the particular person whose address is to be changed). From time to time, any party may designate another address for all purposes by giving the other parties notice of such change of address.

18. All notices to Lender shall be given to it at:

CMFG Life Insurance Company  
c/o MEMBERS Capital Advisors, Inc.  
5910 Mineral Point Road  
Madison, Wisconsin 53705  
Attention: Mr. Luke Hoffman

All notices to Lessee shall be given to it at:

Heritage Place Associates, LLC  
c/o Samco Properties, Inc.  
455 Fairway Drive, Suite 301  
Deerfield Beach, Florida 33441  
Attention Sam Spiegel

All notices to Lessor shall be given to it at:

The City of Moline, Illinois  
619 16th Street  
Moline, Illinois 61265  
Attention: City Administrator; with a copy to Law Director

19. This Agreement may be executed in counterparts with the same effect as if all parties and signatories had signed the same document at the same time. All counterparts may consolidated, shall be construed together, and shall constitute one document.

***Balance of page left blank intentionally. Signatures appear on following pages.***

**EXECUTED** as of the date first set forth above.

Witnessed by:

\_\_\_\_\_

(Print Name)

**LESSOR:**

**THE CITY OF MOLINE, ILLINOIS**

By: \_\_\_\_\_

Name:(print): \_\_\_\_\_

Title: \_\_\_\_\_

**LESSEE:**

**HERITAGE PLACE ASSOCIATES,  
LLC**, an Illinois limited liability company

By: \_\_\_\_\_

Sam Spiegel, Manager

**CMFG LIFE INSURANCE  
COMPANY,**

an Iowa corporation

By: MEMBERS Capital Advisors, Inc.

By: \_\_\_\_\_

Name:(print): \_\_\_\_\_

Title: \_\_\_\_\_



STATE OF )  
 )  
COUNTY OF )

This instrument was acknowledged before me, on this \_\_\_ day of \_\_\_\_\_, 2016, by \_\_\_\_\_, the \_\_\_\_\_ of MEMBERS Capital Advisors, Inc., the \_\_\_\_\_ of CMFG Life Insurance Company, an Iowa corporation, who executed the foregoing document on behalf of the said corporation, and as its act and deed (s)he executed the above and foregoing instrument, after first having been duly authorized by said corporation so to do.

\_\_\_\_\_  
Notary Public \_\_\_\_\_  
My Commission Expires: \_\_\_\_\_

## **EXHIBIT A**

### **LEGAL DESCRIPTION**

Lots 1, 2, and 3 of Block 25 in that part of the City of Moline known as and called the "Old" or "Original town" situated in Rock Island County, Illinois; Lots 1, 2, 3, 4, 5, 6, 7, and 8 of McKinnies Subdivision; and the North 10 feet of Lots 5, 6, 7, and 8 of Block 25 in that part of the City of Moline known as and called the "Old" or "Original Town" which 10 feet formed a part of a vacated alley, all situated in the City of Moline, County of Rock Island, State of Illinois.

**EXHIBIT B**

**COMPLETE COPY OF LEASE AND AMENDMENTS (IF ANY)**

## LEASE AGREEMENT

THIS LEASE AGREEMENT made and entered into this 13th day of May, 1991, by and between THE CITY OF MOLINE, ILLINOIS, hereinafter referred to as "LESSOR", and, HDC, INC., an Illinois corporation, hereinafter referred to as "LESSEE";

W I T N E S S E T H:

WHEREAS, LESSOR is a Home Rule Municipality with full authority to enter into and be bound by the terms and conditions of this Agreement in the manner in which this Agreement is hereby adopted by the Corporate Authority; and

WHEREAS, LESSOR has established under Illinois Law a Tax Increment Finance District (TIF) which includes the real property which is the subject of this Agreement; and

WHEREAS, LESSOR has adopted a plan for redevelopment for the revitalization and redevelopment of its downtown business area which includes the real property described herein; and

WHEREAS, as part of its redevelopment plan, it has authorized the construction of a multi-story parking structure on the real property described herein; and

WHEREAS, in order to secure the development by HDC, INC., of a seven (7) story office building on the remainder of Block 25 as described further herein, commonly referred to herein and known as Heritage Place, LESSOR has agreed to lease to the owners of Heritage Place the parking structure after completion under the terms and conditions set forth herein.

NOW, THEREFORE, in consideration of the mutual promises, covenants, warranties and conditions set forth herein, the parties hereto agree as follows:

1.) Recitations:

That the recitations set forth above are fully incorporated into and made a part of this Agreement.

2. Leased Premises:

MOLINE, hereinafter referred to as LESSOR does hereby lease to HDC, INC., hereinafter referred to as LESSEE, or its successors and assigns, the real property legally described as:

Lots 1, 2, and 3 of Block 25 in that part of the City of Moline known as and called the "old" or "original town"

situated in Rock Island County, Illinois; Lots 1, 2, 3, 4, 5, 6, 7, and 8 of McKinnies Subdivision; and the North ten feet (10') of Lots 5, 6, 7, and 8 of Block 25 in that part of the City of Moline known as and called the "old" or "original town" which 10' formed a part of a vacated alley, all situated in the City of Moline, County of Rock Island, State of Illinois; subject however, to an easement for utility purposes over, under, and through said vacated alley.

The leased premises shall include a fully constructed and certified-for-occupancy vehicular parking structure with sufficient parking for approximately 300 vehicles to be completed no later than the date of initial certification of occupancy of any portion of Heritage Place.

3.) Term:

3.1) Initial: The initial term of this lease shall commence on a date on which any portion of Heritage Place is certified for initial occupancy and shall continue for a term of twenty (20) years thereafter.

3.2) Option: Subject to the LESSEE'S being in full compliance with the terms and conditions of this Agreement, LESSEE shall have the irrevocable option to renew this Lease for an additional nineteen (19) year period commencing upon the expiration of the initial term on the same terms and conditions as applicable to the initial term.

This option shall be automatically exercised by LESSEE so long as LESSEE or its successors or assigns have all or a part of the ownership of the Heritage Place unless LESSEE gives written notice to LESSOR of its intent not to exercise this option no later than the expiration of the initial term.

4.) Rent:

LESSEE shall pay to LESSOR as rent for the leased premises the sum of ONE AND NO/100 DOLLARS per year during the said term.

5.) Taxes:

LESSEE shall pay promptly when they become due hereunder all real property taxes assessed against the leased premises solely because or on account of its use during the entire term of this Lease and any extensions thereof. LESSEE, if requested from time to time by LESSOR shall provide proof of payment of any such real property taxes to LESSOR.

6.) Use:

6.1) LESSEE shall use or cause to be used by invitees, tenants, occupants, employees or customers of Heritage Place Development the leased premises as a general parking area for vehicular and pedestrian traffic. LESSEE shall not commit waste nor use or permit to be used the leased premises for any illegal purpose.

6.2) LESSOR reserves the right to use or cause to be used the leased premises for public parking other than between the hours of 6:00 a.m. to 6:00 p.m., Monday through Friday; and 6:00 a.m. to Noon, Saturdays but such time limitations shall not apply on New Year's Day, Memorial Day, 4th of July, Labor Day, Thanksgiving and Christmas Day.

7.) Assignment:

LESSEE may assign its rights under this Agreement or sublet the whole or any part of the leased premises; subject, however, to the prior written consent of LESSOR. Such consent by LESSOR shall not be unreasonably withheld. LESSEE shall provide LESSOR written notice of such proposed assignment or sublease, and LESSOR shall either consent to same or provide written objection to same within fifteen (15) days or said proposed assignment or sublease shall be considered approved. LESSEE may assign, without the prior written consent of LESSOR, this lease to a title-holding trust (land trust) which is the legal title holder to the real property commonly known as Heritage Place which is comprised of the remainder of Block 25 as described hereinabove. It is the intention of the parties to this Agreement that the rights and obligations set forth in this Lease Agreement inure to the benefit of the owners, occupants and invitees of Heritage Place.

8.) Maintenance and Repair:

8.1) Except as provided otherwise, LESSOR shall be responsible to maintain and keep the structural and mechanical systems and equipment of the structure and the Leased Premises in good order and repair (to standards commonly accepted in parking lots for high-quality office buildings) during the term of this Lease including, but not limited to maintenance, repair and/or replacement of the roof, floors, walls, ceiling, windows, foundations, sidewalks, paved areas, access ways, parking lots, electrical systems, and ventilation systems, plumbing systems, elevators, sprinkler and fire protection systems, lighting systems, pollution control systems, alarm and security systems, snow removal on the exterior deck, and maintenance, repairs or replacements occasioned by or attributable to defective materials or

workmanship in the construction of the Leased Premises, and their appurtenant structures and facilities. LESSEE agrees to give LESSOR access to the Leased Premises upon request so as to make periodic inspections or to effect the above responsibilities as needed.

8.2) LESSEE shall be responsible to provide routine cleaning and minor maintenance and repair of the Leased Premises interior surfaces caused by ordinary wear and tear including, but not limited to, washing, painting, and repair or replacement of interior wall coverings; vacuuming, sweeping, scrubbing of floors; cleaning of lighting; trash and garbage pickup and removal; replacement of light bulbs; furnishing of soap and other toiletries and cleaning of restrooms, if restrooms are provided; and other routine operational maintenance activities. In addition, LESSEE shall be responsible for policing said Leased Premises for violation of Paragraph 19, Rules and Regulations, and removing any cars illegally parked thereon and providing any and all necessary security, except during the time said premises are available for public parking as set forth in Paragraph 6.2.

9.) Improvements:

LESSOR shall complete the construction of the parking per plans and specifications previously furnished by LESSOR to LESSEE. No alterations of the structural portion of said building shall be permitted without LESSOR' written consent.

10.) Utilities:

LESSOR agrees to pay for light and power furnished to the Leased Premises.

11.) Fire and Casualty:

If the building on the premises herein described and known as the parking structure shall be totally destroyed by fire, wind or other casualty, or if said building be partially destroyed or damaged by said causes, then LESSOR shall restore and repair said building but only to the extent of insurance proceeds therefor and any additional sums received from LESSEE or one standing in its stead. The rental for the demised premises shall be abated during the period of restoration and repairs if the demised premises is unusable by LESSEE for the purpose set forth in this Lease.

12.) Covenants against Liens:

LESSEE expressly covenants and agrees that it will, during the term hereof, promptly remove or release, by the posting of a

bond or otherwise, as required permitted by law, any lien attached to or upon said leased premises or any portion thereof by reason of any act or omission on the part of LESSEE, and hereby expressly agrees to save and hold harmless the LESSOR from or against any such lien or claim of lien. In the event any such lien does attach, or any claim of lien is made against said leased premises which may be occasioned by any act or omission upon the part of LESSEE, and shall not be thus released within sixty (60) days after notice thereof, LESSOR, in their sole discretion (but nothing herein contained shall be construed as requiring them to do so) may pay and discharge the said lien and relieve the said leased premises from any such lien, and LESSEE agrees to pay and reimburse, as additional rent therefore, to LESSOR upon demand for or on account of any expense which may be incurred by LESSOR in discharging such lien or claims. However, if LESSEE has reasonable cause to contest the validity or correctness of any such lien, he may do so and in such event no breach of this Lease Agreement shall result; provided, however, that LESSEE shall provide LESSOR with adequate indemnification in the form of a bond, cash or other satisfactory guaranty, completely protecting LESSOR from any loss resulting from such lien or liens. LESSOR shall immediately contact LESSEE if there is any claim of lien and ascertain if there is reasonable cause for said lien. Nothing in this Lease Agreement shall require LESSEE to remove or release any lien(s) which may attach to said leased premises or any portion thereof by reason of LESSOR'S act or omission.

LESSOR covenants and agrees that at the date of commencement of this Lease Agreement, the said leased premises shall be free and clear of all liens and charges of any kind or nature; and further covenants and agrees that LESSOR shall protect, save and hold harmless LESSEE from any such lien and charges of any kind or nature; and further covenants and agrees that LESSOR shall protect, save and hold harmless LESSEE from any such liens and charges against the leased premises.

13.) Insurance:

LESSEE agrees to procure and maintain a policy or policies of insurance at its own cost and expense insuring LESSOR and LESSEE from all claims, demands or actions for injury arising from, related to, or connected with the conduct and operations of LESSEE'S business in the leased premises, in an amount not less than \$1,000,000 for any single occurrence. (If access to parking garage is controlled either by an attendant or parking gates or similar means of controlled access, then, in addition to the above insurance, LESSEE shall provide at its own cost and expense a Garage Keepers Legal Liability Policy in the amount of \$1,000,000 insuring LESSOR and LESSEE from claims made

thereunder). LESSEE shall provide LESSOR with certificates of insurance evidencing the above coverages and limits. Said insurance shall not be cancelled unless LESSOR is notified in writing at least twenty (20) days prior to any such cancellations. If LESSEE fails to comply with such requirements, LESSOR may obtain such insurance and keep the same in effect, and LESSEE shall pay LESSOR the premium cost thereof upon demand as additional rent.

LESSEE shall, at LESSEE'S own cost and expense, carry and maintain fire insurance and extended coverage endorsement which shall include hail and fire and wind insurance for the benefit of LESSOR and LESSEE on the building erected upon the demised premises in an amount equal to the replacement value thereof. When any such policy or policies shall expire or terminate, renewal or additional policies shall be procured by LESSEE in like manner and to like extent. Proceeds of any such policies in the event of fire or other casualty shall be payable to LESSOR. LESSEE shall furnish LESSOR a certificate of insurance evidencing such policy. LESSEE shall be solely responsible for insuring their contents and other property located on the demised premises.

LESSEE hereby releases the LESSOR, which includes LESSOR'S employees, agents, officers and directors from all liability, whether for negligence or otherwise, in connection with loss covered by any insurance policies which the LESSEE carries with respect to the leased premises or any interest or property therein or thereon (whether or not such insurance is required to be carried under this Lease), but only to the extent that such loss is collected under said insurance policies.

14.) Indemnification of Lessor:

LESSEE will protect, indemnify and hold harmless the LESSOR from and against all liabilities, obligations, damages, penalties, claims, causes of action, costs, charges and expenses, including but not limited to, attorneys' fees and expenses of employees, which may be imposed upon or incurred by or asserted against LESSOR by reason of any loss, damage or claims of loss of life or of injuries to persons or property on the demised premises, or nearby property or the building thereon during the term of this Lease, as a result of the negligent acts of LESSEE or its' employees or agents.

In case any action or proceeding is brought against LESSOR by reason of any such occurrence, LESSEE, upon written notice from LESSOR, will, without cost and expense to the LESSOR, resist and defend such action or proceeding or cause the same to be resisted and defended, only in cases where the negligence of said

action is based upon the act of LESSEE, or its' employees or agents.

15.) Default:

(a) The happening of any one or more of the following events shall constitute an event of default hereunder by LESSEE:

1.) Non-payment by LESSEE when due of any rental payment due hereunder and after such non-payment shall continue for a period of ten (10) days after written notice; or

2.) Non-observance or non-performance of any other covenant, obligations, condition or requirement imposed upon them by this Lease and the continuation of such non-performance or non-observance for a period of thirty (30) days after written notice thereof from LESSOR to LESSEE, except that in case of any default relating to the condition or maintenance of the property there shall be excluded from the calculation of such period of thirty (30) days, periods of unavoidable delays, including but not limited to, delays due to strikes, acts of God, governmental restrictions, unavailability of labor or materials, enemy action, civil commotion, fire, unavoidable casualties or causes beyond the control of LESSEE, and period during which LESSEE shall be diligently proceeding to cure such default to the end that it shall be cured expeditiously and without delay.

(b) In the event of default by LESSEE, LESSOR may:

1.) Cancel and terminate this Lease by notifying LESSEE of LESSOR'S election of this remedy and upon giving such notice this Lease will cease and terminate; or

2.) LESSOR may by appropriate legal proceedings require LESSEE specifically to perform their covenants and obligations hereunder; or

3.) LESSOR may relet said premises or any part thereof as agent for LESSEE and receive the rent therefor and LESSEE shall pay to LESSOR all LESSOR'S reasonable expenses in connection with such reletting, the expenses of keeping said premises in repair, brokerage commissions, concessions to LESSEE or other expenses that LESSOR may incur, and LESSEE shall be liable for any deficiency, which deficiency may be recovered from time to time.

4.) LESSOR may recover by appropriate legal proceedings, if necessary, as liquidated and agreed current damages the rent, additional rent, and other sums payable to LESSOR by LESSEE under the term of this Lease Agreement up to and including the date of termination, expiration, default or repossession, and thereafter,

until the end of what would have been the lease term in the absence of termination, expiration, default or repossession. Further, whether or not the premises or any part thereof have been relet the LESSEE shall pay to the LESSOR as liquidated and agreed current damages the rent, additional rent and other sums which would be payable until the end of what would have been the lease term under the terms of this Lease or in the absence of expiration, termination, default or repossession by LESSEE.

No termination, expiration, default or repossession of this Lease by operation of law or otherwise shall relieve LESSEE of it's liabilities hereunder all of which shall survive such termination, expiration, default of repossession.

5.) The remedies as given in this Lease Agreement to LESSOR are cumulative and shall be in addition to all other remedies now and hereafter existing, whether in law, at equity, or by statute. No waiver by the LESSOR of any default or breach of any covenant, condition or stipulation herein contained shall be regarded as a waiver of any subsequent default or breach of the same or of any other covenant, condition or stipulation hereof.

(c) The following events shall constitute a default of LESSOR:

1.) The failure of LESSOR to complete the construction of the parking garage on the leased premises on or before the date that Heritage Place is certified for initial occupancy; except the time for performance by LESSOR of said completion shall be extended by the period of any delays in such performance caused by war, strikes, lock-outs, civil commotion, unpreventable material shortages, casualties, acts of God, or other conditions or events beyond the control of LESSOR.

2.) The failure of LESSOR to maintain the structural and mechanical systems of the parking garage as required in Paragraph 8.1.) hereinabove from time to time, except that LESSOR shall have a reasonable time after discovery of structural or mechanical defect to correct same; or

3.) Non-observance or non-performance of any other covenant, obligation, condition or requirement imposed upon LESSOR by this Lease and the continuation of such non-performance or non-observance for a period of thirty (30) days after written notice thereof from LESSEE to LESSOR, except that in case of any default relating to the condition or maintenance of the property there shall be excluded from the calculation of such period of thirty (30) days, periods of unavoidable delays, including but not limited to, delays due to strikes, acts of God, governmental restrictions, unavailability of labor or materials, enemy action,

civil commotion, fire, unavoidable casualties or causes beyond the control of LESSOR, and period during which LESSOR shall be diligently proceeding to cure such default to the end that it shall be cured expeditiously and without delay.

(d) In the event of a default by LESSOR, LESSEE may:

1.) LESSEE may by appropriate legal proceedings require LESSOR specifically to perform its duties, covenants and obligations hereunder; or

2.) LESSEE may complete the construction of the parking garage and recover its expenses therefor from LESSOR, except that LESSOR's liability under this provision shall be the unexpended balance under its construction contract for said parking garage.

(e) Notice to LESSEE's Mortgagee and Its Rights to Cure Default:

In the event of a default of LESSOR or LESSEE, the party causing such default shall pay upon demand all reasonable charges, costs and expenses, including but not limited to, attorneys fees, brokers fees, accounting expenses, etc., incurred by the party against whom such default shall occur in enforcing the obligations of the other party hereunder, whether such enforcement shall be by way of litigation, negotiation or by any other method.

16.) Notices:

All notices of any kind referred to in this Agreement to be made by and between LESSOR and LESSEE, shall be in writing, and sent by certified mail, return receipt requested if to LESSEE at the following address:

HDC, INC., 555 West Court Street, Kankakee, Illinois, 60901; and if to LESSOR at the following address: City of Moline, Attn: Director of Planning and Development, 619 16th street, Moline, Illinois 61265. If the address of the LESSOR or LESSEE shall become different from hereinabove recited, the LESSOR or LESSEE shall notify the other party of such address change by certified mail, return receipt requested, within ten (10) days of such change of address.

17.) Option to Purchase

(a) Offers by Lessee and Lessee's Rights of First Refusal: LESSOR shall duly consider any offer to purchase the Property that LESSEE may make at any time during the Lease Term. LESSEE shall also have rights of first refusal to purchase the Building

and/or the Property each time a purchase proposal acceptable to LESSOR is received by LESSOR from any other person or entity. Such proposal, setting forth all material terms, shall then be submitted by written notice from LESSOR to LESSEE. Within thirty (30) days after LESSEE receives said notice, LESSEE may exercise its rights of first refusal by sending notice of same to LESSOR, and LESSEE shall then purchase the Building and/or Property upon the same terms as set forth in LESSOR'S notice. Otherwise, such rights are terminated with respect to that proposal. These respective rights of first refusal shall terminate on the date this Lease finally expires or otherwise terminates, or when the Building and/or Property is sold to a third party after compliance with the above provisions.

(b) Sales Made Subject to Lease: In the event that the Building and/or Property is sold to a third party in compliance with the provisions above, such sale shall be made subject to the provisions of this Lease and LESSOR shall ensure that such third party assumes this Lease fully, including all of LESSOR'S obligations to LESSEE with respect hereto.

18.) Recording:

Upon request by LESSEE, LESSOR will execute a short-form agreement or memorandum of document to be recorded in the Recorder of Deed's which shall set forth the leasehold interest of LESSEE in the leased premises.

19.) Rules and Regulations:

LESSOR and LESSEE will mutually set reasonable rules and regulations for the conduct of persons and their vehicles on or about the leased premises and LESSEE shall provide a copy of said rules and regulations to each occupant of Heritage Place.

20.) Warranties of Lessor:

LESSOR warrants and covenants as a condition and term of this lease that it is a Home Rule Municipality as set forth in Article VII of the Constitution of Illinois of 1970 and as such a municipality it has full authority to enter into this Lease Agreement.

LESSOR warrants that as a Home Rule Municipality its ordinances permit the lease of real property to a private entity for private usage for a term specified without the necessity of complying with the publication and voting requirements by the corporate authorities set forth in Chapter 24 of the Illinois Revised Statutes entitled Cities and Villages. A copy of LESSOR'S ordinance with regard to Lease of real property is attached

hereto and made a part of this Lease as Exhibit "A". LESSOR warrants that its corporate authorities have voted by the required majority vote to authorize and direct the undersigned on behalf of LESSOR to enter into this Lease Agreement and to fully bind and obligate LESSOR to all of the terms and conditions set forth herein, a copy of said ordinance being attached hereto and made a part hereof as Exhibit "B".

LESSOR warrants as a condition of this Agreement that it is the owner in fee simple title of the real property described herein as the leased premises.

LESSOR warrants that it will use due diligence to enter into a construction contract for the construction of the parking garage described herein within thirty (30) days after execution hereof and that any such contract will have as one of its terms a requirement that a performance bond in the full amount of the construction price be submitted by the contractor along with adequate surety therefor.

21.) Warranties of Lessee:

LESSEE warrants that it is a duly organized for profit corporation licensed and organized in the State of Illinois to conduct the business of developing and managing real properties.

LESSEE warrants that it has full authority to enter into this Lease Agreement and that its corporate officers are authorized to enter into this Lease Agreement under the terms and conditions set forth herein.

22.) Lease Agreement Recognition:

LESSOR hereby agrees that upon the request of LESSEE or its mortgagees or lenders that it will promptly execute and deliver to LESSEE a subordination agreement in favor of LESSEE'S lenders or mortgagees. LESSOR hereby acknowledges that LESSEE will mortgage its leasehold interest hereunder to the Quad Cities Regional Economic Development Authority, which will assign such mortgage to a bond trustee ("MORTGAGEE") as security for the financing of Heritage Place as described in the recitals hereto. LESSOR hereby consents to the execution of such mortgage by LESSEE. Notwithstanding any other provision herein to the contrary, so long as such mortgage is in force, the following provisions shall apply:

1.) Such mortgage shall be excluded from LESSEE's covenant against liens set forth in Section 12 hereof.

2.) MORTGAGEE may exercise LESSEE's option to renew set forth in Section 3.2 hereof to the same extent and with the same effect as if LESSEE had exercised such option.

3.) MORTGAGEE may exercise LESSEE's right of first refusal set forth in Section 17 hereof to the same extent and with the same effect as if LESSEE had exercised such right.

4.) As soon as MORTGAGEE has been identified, LESSEE shall give a written notice pursuant to Section 15 hereof to LESSOR of the name and notice address of MORTGAGEE. Thereafter, MORTGAGEE shall be entitled to a copy of all notices given by any party under this Lease Agreement as if MORTGAGEE's name and notice address appeared in Section 16 hereof, including, without limitation, notices of default under Section 15 hereof.

5.) If LESSEE should fail to pay rent or taxes or fail to observe or perform any other covenant hereunder, MORTGAGEE shall have the right, but shall be under no obligation, to pay such rent or taxes, and to take any other action so as to cause such other covenant to be promptly observed or performed on behalf of LESSEE, with the result that LESSEE's rights in and under this Lease Agreement shall be kept unimpaired and free from default. The parties shall permit MORTGAGEE to enter upon the leased premises for purposes of effecting any such cure.

23.) Binding Effect:

This Lease Agreement shall be binding upon and inure to the benefit of the parties hereto, their heirs, personal representatives, successors and assigns. \_\_\_\_\_

IN WITNESS WHEREOF, the parties hereto have caused this Lease Agreement to be created on the day and year first above written.

LESSOR:

CITY OF MOLINE, ILLINOIS

By Allen R. McCaulley  
Allen R. McCaulley, Mayor

ATTEST:

Joanne Lambrecht  
Joanne Lambrecht, City Clerk

Approved as to Form:  
Larry A. Woodward  
Larry A. Woodward, City Attorney

LESSEE:

HDC, INC., an Illinois Corporation

By Joseph Franco  
Joseph Franco, President

ATTEST:

Jenny n Way  
Secretary

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91-11681

Filed and Recorded July 2, 1991 at 8:43 O'Clock A.M.

\$15.00

*Wm. J. Craig*  
Recorder

AMENDMENT TO  
LEASE AGREEMENT

THIS AMENDMENT TO LEASE AGREEMENT made and entered into this 2nd day of July, 1991, by and between CITY OF MOLINE, ILLINOIS, a municipal corporation, hereinafter referred to as "Lessor", and, HDC, INC., an Illinois corporation, hereinafter referred to as "Lessee";

W I T N E S S E T H:

WHEREAS, on the 13th day of May, 1991, Lessor and Lessee entered into a lease agreement for certain property in the City of Moline, Illinois, legally described as:-

Lots 1, 2, and 3 of Block 25 in that part of the City of Moline known as and called the "old" or "original town" situated in Rock Island County, Illinois; Lots 1, 2, 3, 4, 5, 6, 7, and 8 of McKinnies Subdivision; and the North ten (10) feet of Lots 5, 6, 7, and 8 of Block 25 in that part of the City of Moline known as and called the "old" or "original town" which 10' feet formed a part of a vacated alley, all situated in the City of Moline, County of Rock Island, State of Illinois; subject however, to an easement for utility purposes over, under, and through said vacated alley;

on which a parking structure was to be completed by Lessor; and

WHEREAS, said Lease Agreement was filed in the Recorder's Office of Rock Island County, Illinois, on the 14th day of June, 1991, at 8:53 a.m. and recorded in Record Book 1400 at Page 267 as Document No. 91-10440; and

WHEREAS, subsequent to the recording of said Lease Agreement, the parties hereto agree that a correction should be made to the legal description contained in the Lease Agreement; and

WHEREAS, the parties hereto are desirous of correcting said legal description and reaffirming the mutual promises, covenants, warranties and conditions set forth in said Lease Agreement.

\$15.00

NOW, THEREFORE, it is mutually agreed as follows:

1. That the Lease Agreement as originally entered into by and between the parties hereto, and, filed for record in the Recorder's Office of Rock Island County, Illinois, as hereinabove set forth, be and is hereby amended by replacing the legal description contained therein with the following legal description:

Lots 1, 2, and 3 of Block 25 in that part of the City of Moline known as and called the "old" or "original town" situated in Rock Island County, Illinois; Lots 1, 2, 3, 4, 5, 6, 7, and 8 of McKinnies Subdivision; and the vacated alley lying north of Lots 5, 6, 7 and 8 of Block 25 in that part of the City of Moline known as and called the "old" or "original town", all situated in the City of Moline, County of Rock Island, State of Illinois; subject however, to an easement for utility purposes over, under, and through said vacated alley; and except that part dedicated for public right-of-way.

2. The following paragraph is added to Section 12 of the Lease,

*Handwritten initials*

"LESSOR covenants and agrees not to sell or otherwise transfer fee simple title to the leased premises prior to September 25, 2007, except with the prior written consent of the Secretary of Commerce for Economic Development given pursuant to Section 3 of that certain Agreement dated as of July 5, 1978, by and between LESSOR and the Economic Development Administration, United States of America."

3. That the parties hereto reaffirm all other mutual promises, covenants, warranties and conditions set forth in said Lease Agreement and agree that all other mutual promises, covenants, warranties and conditions set forth in said Lease Agreement shall be incorporated in this Amendment to Lease Agreement as though set out in haec verba.

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IN WITNESS WHEREOF, the parties hereto have caused this Amendment to Lease Agreement to be created on the day and year first above written.

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LESSOR:  
CITY OF MOLINE, ILLINOIS  
By Allen R. McCaulley  
Allen R. McCaulley, Mayor



ATTEST:  
Jo Anne Lambrecht  
Jo Anne Lambrecht, City Clerk

Approved as to Form:  
Larry A. Woodward  
Larry A. Woodward, City Attorney

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LESSEE:  
HDC, INC., an Illinois Corporation  
By Joseph Franco  
Joseph Franco, President



ATTEST:  
John W. [Signature]  
Secretary

County of Cook )  
State of Illinois )

The foregoing instrument was acknowledged before me for the uses and purposes set for  
before me this 1st day of July, 1991.  
[Signature]  
Notary Public

This document prepared by:  
Larry A. Woodward, City Attorney  
Executive Offices - City Hall  
619 16th Street  
Moline, IL 61265

Recorder Please  
Return To:  
Kurt P. Froehlich  
Evans + Froehlich  
44 Main Street  
Champaign, IL 61820  
(217) 254-6794

**EXHIBIT C**

**COMPLETE COPY OF DEVELOPER AGREEMENT AND AMENDMENTS (IF ANY)**

**DEVELOPER AGREEMENT**

THIS AGREEMENT made this 24 day of August, 1990, by and between the CITY OF MOLINE, a Municipal Corporation, hereinafter referred to as the "City", and HDC, INC., an Illinois Corporation, hereinafter referred to as the "Developer";

**WITNESSETH:**

WHEREAS, the City desires to have an office building constructed in downtown Moline, Illinois; and

WHEREAS, the Developer is engaged in the business of offering and providing design, development and construction services for certain office buildings; and

WHEREAS, the Developer desires to perform such services in regard to said office building.

NOW, THEREFORE, in consideration of the covenants hereinafter contained the parties agree as follows:

1.) **PURPOSE:**

City and Developer intend to take actions necessary and appropriate to design, develop, obtain financing and construct an office building and parking garage at the site bounded by 15th Street on the West, 16th Street on the East, 4th Avenue on the North and 5th Avenue on the South [the "Superblock" site], hereinafter referred to as the Project or Heritage Office Plaza.

2.) **DESCRIPTION:**

Upon completion of development, the Superblock site (Project) will be improved with a six to ten story office building with a foot-print of approximately 15,000 square feet and having an average of at least 12,000 leasable square feet per floor and as completed, the combined land and improvement is referred to collectively herein as the Superblock. Whole space requirement may vary depending upon actual tenant profile, as developed, the Project will incorporate the following:

- a.) Service retail on the first floor, including food service.

- 2 -

- b.) Class A office space and associated amenities.
- c.) Landscape site.
- d.) Exterior design complimentary to existing architecture.
- e.) An adjacent parking structure of approximately 300 space.

3.) DEVELOPER'S DUTIES:

Upon execution of the Agreement, Developer will proceed as follows:

- a.) Design and construct an office building to be named **Heritage Office Plaza** on land conveyed to Developer by City. Occupancy of said building will be available on December 1, 1991.
- b.) Design of the Heritage Office Plaza will be under the control of Developer, however, Developer agrees to the selection of the architect by the City and further agrees that any design and plans shall be approved by Deere & Company and Developer shall cooperate and coordinate design and construction with the City's architect for the parking structure and it's coordination.
- c.) Said obligation is not contingent upon any identified source of financing.
- d.) Developer shall post or cause contractor to post a performance bond in the amount of 100% of cost of construction guaranteeing construction of Heritage Office Plaza on the date established herein, if required and subject to the force majeure clause set forth hereinbelow.
- e.) Developer shall agree to assignment of contract between Real Estate agent, if any, and the City.
- f.) Developer shall operate Heritage Office Plaza consistent with Class A office space practices in the industry.

4.) DUTIES OF THE CITY:

Upon execution of this Agreement, City will take actions as follows:

- a.) City will convey by good and merchantible Warranty Deed, fee simple title to the Heritage Office Plaza site legally described on EXHIBIT "A" attached hereto and made a part hereof, to Developer for consideration of One and No/100 (\$1.00) Dollar. City will provide to Developer a complete site survey, including topographical data, as well as all necessary subsoil information. This information shall remain the property of the City.

The real property (site) to be conveyed herein shall be free of all liens and encumbrances; the site shall be cleared of all obstructions

- 3 -

and the surface prepared for and ready for construction; all utilities shall be rerouted so as not to interfere, hinder or obstruct construction and operation of the improvements; all utilities shall be brought to the perimeter of the site and be available for the use by the owners and occupants of the Heritage Office Plaza; the site shall be free of any toxic or hazardous chemicals, minerals, wastes or storage tanks as defined under the Illinois Environmental Transfer Act and the City will provide all necessary environmental documentation, including but not limited to, an Environmental Disclosure Document as set forth on EXHIBIT "B" attached hereto and made a part hereof and a Phase I Environmental Inspection report, if required.

b.) To provide a parking garage of 300 spaces adequate to satisfy the parking requirements of the Heritage Office Plaza at City's sole cost and to provide an enclosed pedestrian terminal connection from the parking garage facility to the Project.

c.) To insure timely review and response to requests and submittals from Developer to allow for timely progress of the undertakings of Developer.

d.) To assist the Developer in negotiations with prospective lease tenants for Heritage Office Plaza.

e.) To assist Developer in obtaining financing from QCRBDA of other Government Agencies and to promptly execute and deliver to Developer all documents necessary or advisable to obtain financing for the development of the Project.

f.) To pay through its TIF Fund 90% of the Annual Real Estate Taxes for a period of fifteen years; provided, same qualifies as interest subsidy under Chapter 24, (paragraph 11-74, 4-3 [q][11] of the Illinois Revised States), a copy of which is attached hereto and made a part hereof as EXHIBIT "C".

g.) City shall provide, at its sole cost and expense, suitable and appropriate landscaping for the entire project site as well as the parking garage and pedestrian terminal connection.

5.) RELIANCE:

Developer covenants and consents for itself, its successors and assigns that there will be annually assessed against Heritage Office Plaza, real estate taxes based on the City's normal tax appraisal and assessment procedure for similar properties.

6.) FORCE MAJEURE:

When this Agreement requires any act to be performed by a certain time or with a certain period of time, the time for the performance of such act shall be extended by the period of any delays in such performance caused by war, strikes, lockouts, civil

commotion, unpreventable material shortages, casualties, acts of God or other conditions or events beyond the control of the party required to perform such act. Developer agrees to cooperate and pursue Impact Cooperative Agreement with Illowa Construction Labor Management Council

7.) NOTICE:

All notices and other communication under this Agreement shall be in writing, and shall be deemed to have been both given and received when delivered to the party in person, delivered to Federal Express, or mailed, when deposited in the U.S. mail, by certified mail postage prepaid with return receipt requested to the parties at the following addresses:

a.) City: City of Moline, Illinois, Attention Joseph Reckard, 619-16th Street, Moline, Illinois 61265.

b.) Developer: HDC, Inc., c/o Joseph Franco, 555 West Court Street, Suite 300, Kankakee, Illinois 60901.

Notice may also be sent by telecopies, but deemed received only after addressee has confirmed receipt by either telecopier or mail.

IN WITNESS WHEREOF, the parties have caused this Agreement to be executed and effective on the date the final execution of this Agreement was obtained.

CITY OF MOLINE

BY: Allen R. McCauley  
Mayor

DATE: August 28, 1990

Attest:  
[Signature]  
City Clerk

Approved as to Form:  
[Signature]  
City Attorney

- 5 -

HDC, INC., an Illinois Corporation.

BY: Joseph Franco



DATE: August 25, 1990

24 ¶ 11 - 74.4 - 8  
Mun. Code ¶ 11-74.4-3

CITIES AND VILLAGES  
Municipal Code 1981

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undertaken to accomplish the objectives and shall include but not be limited to estimated redevelopment project costs, the sources of funds to pay costs, the nature and term of the obligations to be issued, the most recent equalized assessed valuation of the redevelopment project area, an estimate as to the equalized assessed valuation after redevelopment and the general land uses to apply in the redevelopment project area, a commitment to fair employment practices and an affirmative action plan and if it concerns an industrial park conservation area shall also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed, and if property is to be annexed to the municipality the terms of the annexation agreement. No redevelopment plan shall be adopted by a municipality without findings that (1) the redevelopment project area on the whole has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without the adoption of the redevelopment plan; (2) the redevelopment plan and project conform to the comprehensive plan for the development of the municipality as a whole; (3) stating the estimated dates, which shall not be more than 24 years from the adoption of the ordinance approving the redevelopment project area, of completion of the redevelopment project and retirement of obligations incurred to finance redevelopment project costs; (4) in the case of an industrial park conservation area, also that the municipality is a labor surplus municipality and that the implementation of the redevelopment plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the redevelopment project area; and (5) in the event that any incremental revenues are being utilized pursuant to Section 8(a)(1) or 8(a)(2) of this Act in redevelopment project areas approved by ordinance after January 1, 1986, (a) a finding that the redevelopment project area would not reasonably be developed without the use of such incremental revenues, (b) a finding that such incremental revenues will be exclusively utilized for the development of the redevelopment project area.

(c) "Redevelopment project" means any public and private development project in furtherance of the objectives of a redevelopment plan.

(d) "Redevelopment project area" means an area designated by the municipality, which is not less in the aggregate than 1/2 acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.

(e) "Redevelopment project costs" mean and include the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project. Such costs include, without limitation, the following:

(1) Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, marketing, financial, planning or other services, provided however that no charges for professional services

may be based on a percentage of the tax increment collected;

(2) Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, and the clearing and grading of land;

(3) Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings and fixtures;

(4) Costs of the construction of public works or improvements;

(5) Costs of job training and retraining projects;

(6) Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder occurring during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 88 months thereafter and including reasonable reserves related hereto;

(7) All or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs;

(8) Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or State law;

(9) Payment in lieu of taxes;

(10) Costs of job training, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 8-87, 8-88, 8-40 and 8-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-22.2a of The School Code;

(11) Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

(A) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act; and

(B) such payments in any one year may not exceed 80% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;

(C) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant

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to this paragraph (11) then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; and

(10) the total of such interest payments incurred pursuant to this Act may not exceed 80% of the total redevelopment project costs excluding any property assembly costs and any relocation costs incurred pursuant to this Act.

(12) Unless explicitly stated herein the cost of construction of new privately-owned buildings shall not be an eligible redevelopment project cost.

If a special service area has been established pursuant to "An Act to provide the manner of levying or imposing taxes for the provision of special services to areas within the boundaries of home rule units and non-home rule municipalities and counties", approved September 21, 1973, as amended, then any tax increment revenues derived from the tax imposed pursuant to "An Act to provide the manner of levying or imposing taxes for the provision of special services to areas within the boundaries of home rule units and non-home rule municipalities and counties", approved September 21, 1973, as amended, may be used within the redevelopment project area for the purposes permitted by that Act as well as the purposes permitted by this Act.

(r) "State Sales Tax Boundary" means the redevelopment project area or the amended redevelopment project area boundaries which are determined pursuant to subsection (b) of Section 11-74.4-8a of this Act. The Department of Revenue shall certify pursuant to subsection (b) of Section 11-74.4-8a the appropriate boundaries eligible for the determination of State Sales Tax Increment.

(s) "State Sales Tax Increment" means an amount equal to the increase in the aggregate amount of taxes paid by retailers and servicemen, other than retailers and servicemen subject to the Public Utilities Act, on transactions at places of business located within a State Sales Tax Boundary pursuant to the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act, except such portion of such increase that is paid into the State and Local Sales Tax Reform Fund, the Local Government Distributive Fund, the Local Government Tax Fund and the County and Mass Transit District Fund; for as long as State participation exists, over and above the Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts for such taxes as certified by the Department of Revenue and paid under those Acts by retailers and servicemen on transactions at places of business located within the State Sales Tax Boundary during the base year which shall be the calendar year immediately prior to the year in which the municipality adopted tax increment allocation financing, less 8.0% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be appropriated to the Department of Revenue to cover its costs of administering and enforcing this Section. For purposes of computing the aggregate amount of such taxes for base years occurring prior to 1985, the Department of Revenue shall compute the Initial Sales Tax Amount for such taxes and deduct therefrom an amount equal to 4% of the aggregate amount of taxes per year for

subtract from the tax amounts received from retailers and servicemen on transactions located in the State Sales Tax Boundary, the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or Revised Initial Sales Tax Amounts for the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act and the Service Occupation Tax Act. For the State Fiscal Year 1989 this calculation shall be made by utilizing the calendar year 1987 to determine the tax amounts received. For the State Fiscal Year 1990, this calculation shall be made by utilizing the period from January 1, 1988, until September 30, 1988, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For the State Fiscal Year 1991, this calculation shall be made by utilizing the period from October 1, 1988, until June 30, 1989, to determine the tax amounts received from retailers and servicemen, which shall have deducted therefrom nine-twelfths of the certified Initial State Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts as appropriate. For every State Fiscal Year thereafter, the applicable period shall be the 12 months beginning July 1 and ending on June 30, to determine the tax amounts received which shall have deducted therefrom the certified Initial Sales Tax Amounts, Adjusted Initial Sales Tax Amounts or the Revised Initial Sales Tax Amounts. Municipalities intending to receive a distribution of State Sales Tax Increment must report a list of retailers to the Department of Revenue by October 31, 1988 and by July 31, of each year thereafter.

(t) "Taxing districts" means counties, townships, cities and incorporated towns and villages, school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

(u) "Taxing districts' capital costs" means those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.

(v) As used in subsection (n) of Section 11-74.4-3 of this Act, "vacant land" means any parcel or combination of parcels of real property without industrial, commercial and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless such parcel is included in an industrial park conservation area or such parcel has been subdivided.

Amended by P.A. 86-1142, § 1, eff. July 29, 1988; P.A. 88-928, Art. 2, § 1, eff. Sept. 18, 1988; P.A. 88-1028, Art. 111, § 8-9, eff. Feb. 5, 1990.

- 1 Chapter 120, § 440 et seq.
- 2 Chapter 120, § 489.1 et seq.
- 3 Chapter 120, § 499.81 et seq.
- 4 Chapter 120, § 489.101 et seq.
- 5 Paragraph 8-11-1 of this chapter.
- 6 Paragraph 8-21-3 of this chapter.
- 7 Chapter 111, § 9-22.

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### ENVIRONMENTAL DISCLOSURE DOCUMENT FOR TRANSFER OF REAL PROPERTY

The following information is provided pursuant to the Responsible Property Transfer Act of 1988

For Use By County

Recorder's Office

County

Date

Doc. No.

Vol. \_\_\_\_\_ Page \_\_\_\_\_

Rec'd by: \_\_\_\_\_

Seller: \_\_\_\_\_

Buyer: \_\_\_\_\_

Document No.: \_\_\_\_\_

#### I. PROPERTY IDENTIFICATION:

A. Address of property: \_\_\_\_\_  
Street \_\_\_\_\_ City or Village \_\_\_\_\_ Township \_\_\_\_\_  
Permanent Real Estate Index No.: \_\_\_\_\_

B. Legal Description:  
Section \_\_\_\_\_ Township \_\_\_\_\_ Range \_\_\_\_\_  
Enter or attach current legal description in this area:

Prepared by: \_\_\_\_\_  
name \_\_\_\_\_  
address \_\_\_\_\_

Return to: \_\_\_\_\_  
name \_\_\_\_\_  
address \_\_\_\_\_

#### LIABILITY DISCLOSURE

Transferees and transferees of real property are advised that their ownership or other control of such property may render them liable for any environmental clean-up costs whether or not they caused or contributed to the presence of environmental problems associated with the property.

#### C. Property Characteristics:

Lot Size \_\_\_\_\_ Acreage \_\_\_\_\_  
Check all types of improvement and uses that pertain to the property:

\_\_\_\_\_ Apartment building (6 units or less)

\_\_\_\_\_ Commercial apartment (over 6 units)

\_\_\_\_\_ Store, office, commercial building

\_\_\_\_\_ Industrial building

\_\_\_\_\_ Farm, with buildings

\_\_\_\_\_ Other, specify \_\_\_\_\_

#### II. NATURE OF TRANSFER:

A. (1) Is this a transfer by deed or other instrument of conveyance? Yes No

3. Has the transferor ever conducted operations on the property which involved the generation, transportation, storage, treatment or disposal of "hazardous or special wastes", as defined by the federal Resource Conservation and Recovery Act and the Illinois Environmental Protection Act?

4. Are there any of the following specific units (operating or closed) at the property which are or were used by the transferor to manage waste, hazardous wastes, hazardous substances or petroleum?

Table with columns for unit types (Landfill, Surface Impoundment, etc.) and response options (YES, NO).

If there are "YES" answers to any of the above items and the transfer is other than a mortgage or collateral assignment of beneficial interest, attach a site plan which identifies the location of each unit, such site plan to be filed with the Environmental Protection Agency along with this disclosure document.

5. Has the transferor ever held any of the following in regard to this real property?

- a. Permits for discharges of wastewater to waters of the State.
b. Permits for emissions to the atmosphere.
c. Permits for any waste storage, waste treatment or waste disposal operation.

6. Has the transferor had any wastewater discharges (other than sewage) to a publicly owned treatment works?

7. Has the transferor taken any of the following actions relative to this property?

- a. Prepared a Chemical Safety Contingency Plan pursuant to the Illinois Chemical Safety Act.
b. Filed an Emergency and Hazardous Chemical Inventory Form pursuant to the federal Emergency Planning and Community Right-to-Know Act of 1986.
c. Filed a Toxic Chemical Release Form pursuant to the federal Emergency Planning and Community Right-to-Know Act of 1986.

8. Has the transferor or any facility on the property or the property been the subject of any of the following State or federal governmental actions?

- a. Written notification regarding known, suspected or alleged contamination on or emanating from the property.
b. Filing an environmental enforcement case with a court or the Pollution Control Board for which a final order or consent decree was entered.
c. If item b. was answered by checking Yes, then indicate whether or not the final order or decree is still in effect for this property.

9. Environmental Releases During Transferor's Ownership

- a. Has any situation occurred at this site which resulted in a reportable "release" of any hazardous substances or petroleum as required under State or federal laws?
b. Have any hazardous substances or petroleum, which were released, come into direct contact with the ground at this site?
c. If the answers to questions (a) and (b) are Yes, have any of the following actions or events been associated with a release on the property?

- Use of a cleanup contractor to remove or treat materials including soils, pavement or other surficial materials
Assignment of in-house maintenance staff to remove or treat materials including soils, pavement or other surficial materials
Designation, by the IEPA or the IESDA, of the release as "significant" under the Illinois Chemical Safety Act
Sampling and analysis of soils
Temporary or more long-term monitoring of groundwater at or near the site
Impaired usage of an on-site or nearby water well because of offensive characteristics of the water
Coping with fumes from subsurface storm drains or inside basements, etc.
Signs of substances leaching out of the ground along the base of slopes or at other low points on or immediately adjacent to the site

10. Is the facility currently operating under a variance granted by the Illinois Pollution Control Board?

11. Is there any explanation needed for clarification of any of the above answers or responses?

Council Bill No. 90-210 Resolution No. 236-90

Sponsor \_\_\_\_\_

A RESOLUTION

AUTHORIZING the Mayor and Staff to enter into a developer agreement with Heritage Development & Construction (HDC), Inc. to develop, finance, construct and own the downtown office building to be called Heritage Office Plaza.

WHEREAS, the City desires to have an office building constructed in downtown Moline, Illinois; and

WHEREAS, HDC, Inc. is engaged in the business of offering and providing design, development and construction services for certain office buildings; and

WHEREAS, HDC, Inc. desires to perform such services in regard to said office building;

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

That the Mayor and Staff are hereby authorized to execute an agreement with Heritage Development & Construction, Inc. for development of the Heritage Office Plaza building provided said contract is substantially similar in form and content to that attached hereto and incorporated herein by this reference thereto as Exhibit "A" and has been approved as to form by the City Attorney.

CITY OF MOLINE, ILLINOIS

Allen R. McCordley  
Mayor

Passed: August 28, 1990

Approved: August 28, 1990

Attest: Jo Anne Lambrecht  
City Clerk

Approved as to form:  
Samuel Woodward  
City Attorney

SUPPLEMENTAL DEVELOPER AGREEMENT

This Supplemental Agreement made this 13th day of May, 1991, by and between the CITY OF MOLINE, a municipal corporation, hereinafter referred to as the "City", and, HDC, INC., an Illinois corporation, hereinafter referred to as the "Developer".

W I T N E S S E T H:

WHEREAS, the City and Developer did enter into a Developer Agreement on August 28, 1990; and

WHEREAS, said Developer Agreement concerned the respective rights and duties of the parties as they pertain to the development of the Superblock site, then referred to as Heritage Office Plaza and now referred to as Heritage Place; and

WHEREAS, said Developer Agreement provided in Paragraph 4.f.) thereof for a certain qualified subsidy to be paid by City to Developer; and

WHEREAS, the parties do not wish to alter the intent of said Paragraph 4.f.) thereof but do wish to clarify its provisions so that others such as bond holders, assigns, successors, and taxing bodies know and understand with precision said intent;

NOW, THEREFORE, in consideration of the covenants hereinafter contained the parties agree as follows:

1.) Purpose:

City and Developer wish and intend to clarify the provisions of Paragraph 4.f.) of the Developer Agreement between them dated August 28, 1990, without altering the original intent of said Paragraph. Therefore, the purpose of this Supplemental Developer Agreement is solely to clarify said original intent by making the provisions thereof more definite and certain and no other paragraph or provision of the Developer Agreement is affected hereby.

2.) Paragraph 4.f.):

The parties agree that said Paragraph 4.f.) of the Developer Agreement shall henceforth read as follows:

- f.) To pay directly from the TIF special tax allocation fund an interest subsidy as provided by Chapter 24, ¶11-74.4-3(q)(11), Ill. Rev. Stat., a copy of which is attached hereto and made a part hereof as EXHIBIT "C", for a period of fifteen (15) years from January 1, 1993; however, said payments shall be limited by and made payable in accordance with the following:

- (1.) Payments are to be made on or before December 31, 1993, and each December 31 thereafter;
- (2.) No payment in any one year shall exceed 90% of the real estate tax increment paid in that year for Lots 5, 6, 7, and 8 of Block 25 of "old" or "original town" of City of Moline;
- (3.) If payment under subparagraphs (1) and (2) is less than the maximum amount payable as an interest subsidy (interest subsidy shall be calculated on interest due and payable in the calendar year) in that year, then the shortfall shall be accumulated and paid in the next subsequent year or years when payment under subparagraphs (1) and (2) is more than the maximum amount payable as an interest subsidy so long as the payment in each subsequent year does not exceed the lesser of 90% of the real estate tax increment paid in the year or the maximum interest subsidy payable for that year plus any accumulated shortfall;
- (4.) No payment shall be made that causes the aggregate of payments made under this Paragraph 4.f.) to exceed \$3,150,000.00, which amount is equal to 30% of \$10,500,000.00 (the agreed upon allowable aggregate project costs).

IN WITNESS WHEREOF, the parties have caused this Supplemental Developer Agreement to be executed and effective on the date and year first above written.

HDC  
HDC, INC., an Illinois corporation

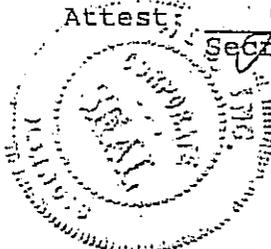
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CITY OF MOLINE, ILLINOIS  
a municipal corporation

By *Joseph Franco*  
Joseph Franco, President

By *Allen R. McCaulley*  
Allen R. McCaulley, Mayor

Attest: *Joshua*  
Secretary

Attest: *Johnnie Lambrecht*  
City Clerk



Approved as to Form:

*Laurel Woodward*  
City Attorney

Return to:  
Moline City Clerk  
619 16<sup>th</sup> Street  
Moline, IL 61265

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RECORDED  
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RECORDER *Yvonne Savala-Kletke*

Council Bill No. 91-8  
General Ordinance 1991-04-08

A General Ordinance adopting and approving an amendment to a Tax Increment Redevelopment Plan for the City of Moline, Illinois, and related matters.

STATE OF ILLINOIS            )  
  )        SS  
ROCK ISLAND COUNTY        )

I, Yvonne Savala-Kletke, City Clerk for the City of Moline, County of Rock Island, State of Illinois, do hereby certify that the foregoing Ordinance, General Ordinance No. 1991-04-08, is a true and correct copy of the original Ordinance passed by the City Council of the City of Moline, Illinois, at a meeting duly convened and held on the 23<sup>rd</sup> day of April, 1991, and approved by the Mayor of said City at a meeting duly convened and held on the 23<sup>rd</sup> day of April, 1991.

IN WITNESS WHEREOF, I have hereunto signed my name and affixed the corporate seal of the City of Moline, Illinois, this 2<sup>nd</sup> day of September, 2003.

Prepared by:  
*Jeff Lester, City Atty.*  
*City of Moline*  
*619 16<sup>th</sup> St.*  
*Moline IL 61265*

*Yvonne Savala-Kletke*  
Yvonne Savala-Kletke  
City Clerk  
(Seal)

Council Bill No. 91-8

General Ordinance

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

No. 91-4-8

A GENERAL ORDINANCE

ADOPTING and APPROVING an amendment to a Tax Increment  
Redevelopment Plan for the City of Moline, Illinois and  
related matters.

WHEREAS, the City of Moline, Illinois (the "City" pursuant to General Ordinances No. 86-12-2, No. 86-12-3 and No. 86-12-4 (the "1986 TIF Ordinances") implemented tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, as supplemented and amended, constituting Division 74.4 of Article 11 of the Illinois Municipal Code (hereinafter referred to as the "Act"), for a proposed redevelopment project (the "Redevelopment Project") within the City of Moline, Illinois, in a designated redevelopment project area, as follows:

Beginning at the intersection of the centerline of 34th Street projected north to the south bank of the Mississippi River; thence westerly along the south bank of the Mississippi River and Sylvan Slough to the intersection of the centerline of First Street projected north; thence south in First Street to Railroad Avenue; thence easterly in Railroad Avenue and Railroad Avenue projected to the centerline of 11th Street projected north, thence south in 11th Street to Fifth Avenue Place; thence south-easterly in Fifth Avenue Place to Sixth Avenue; thence easterly in Sixth Avenue to the centerline of 12th Street Place to the alley south of Sixth Avenue; thence easterly in said alley to 17th Street; thence southerly in 17th Street to Seventh Avenue; thence easterly in Seventh Avenue to 20th Street; thence northerly in 20th Street to the alley south of Fifth Avenue; thence easterly in said alley to 24th Street; thence northerly in 24th Street to Fourth Avenue; thence easterly in Fourth Avenue to 34th Street; thence north in 34th Street to the place of beginning (for the purposes of this description the boundary described herein follows the centerlines of the streets and alleys herein described) (the "Redevelopment Project Area"), which constitutes, in the aggregate, more than one and one-half acres; and

WHEREAS, there was prepared by the City's Department of Planning and Development a redevelopment plan entitled "Tax Increment Financing District and Redevelopment Plan", dated November 1, 1986, which constitutes the redevelopment plan for the Redevelopment Project Area required by the Act (the "Redevelopment Plan"); and

WHEREAS, all conditions, acts and things required by applicable law to exist and to be done precedent to and in connection with the adoption of 1986 TIF Ordinances did exist, have happened, been done and performed in regular and due form and time as required by applicable law; and

WHEREAS, the City has entered into a Developer Agreement dated August 28, 1990 (the "Agreement" as supplemented and amended by a Supplemental Developer Agreement dated April 23, 1991, collectively, the "Agreement", in substantially the form

2003-36286

presented before this meeting of this City Council) with HDC, Inc., an Illinois corporation (the "Developer"), in connection with the "Superblock" site (the "Site") within the Redevelopment Project Area and the office building to be developed by the Developer on the Site pursuant to the Agreement (the "Private Development"); and

WHEREAS, pursuant to Section 11-74.4-5 of the Act, the City Council has determined that it is essential and necessary to the redevelopment of the Site that the Redevelopment Plan be amended to allow as an authorized redevelopment project cost the interest cost subsidy authorized under Section (11-74.4-3(q)(11)) of the Act and to authorize certain conforming amendments to the Agreement; and

WHEREAS, the City Council hereby reaffirms each of the findings, determinations and provisions of the 1986 TIF Ordinances; and

WHEREAS, the Developer has made preliminary arrangements with the Quad City Regional Economic Development Authority (the "Authority") in connection with the issuance by the Authority of up to \$11,000,000 of revenue bonds (the "Bonds") to finance the acquisition, construction and installation of the Private Development, and the availability of the interest cost subsidy under Section 11-74.4-3(q)(11) of the Act is essential to the marketing of the Bonds and is material and substantial in the Developer's decision to proceed with the Private Development as contemplated by the Agreement.

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

Section 1 - Incorporation of Preambles. The City Council hereby finds that all of the recitals contained in the preambles to this ordinance are true, complete and correct and hereby incorporates them into this ordinance by this reference thereto. It is desirable and in the City's best interests to encourage, aid and assist the development and realization of the Private Development. In this connection, the Agreement, including as supplemented and amended, is hereby ratified, confirmed and approved and is hereby authorized to be executed, delivered, and performed.

Section 2 - Redevelopment Plan Amendment. The Redevelopment Plan shall be and is hereby amended as follows:

(a) Under "REDEVELOPMENT PLAN", "B. Redevelopment Projects", "4. Central Business District Redevelopment Program," the last sentence is revised as follows:

"It is the City's intent to assist in the development or redevelopment of new office and commercial facilities and to work with the property owners within this area to reverse this trend."

(b) Under "REDEVELOPMENT PLAN", "E. Eligible Redevelopment Project Costs," added is the following:

"9. Interest Cost subsidy (as limited by applicable law)."

(c) Under "REDEVELOPMENT PLAN", "F. Estimated Public and Private Redevelopment Project Costs", the table in the first

2003-36280

paragraph is revised to allow an interest cost subsidy, as follows:

"Estimated Public Redevelopment Project Costs

Acquisition	=	\$5,000,000
Demolition	=	1,000,000
Relocation	=	500,000
Rehabilitation	=	2,000,000
Public Facilities	=	8,000,000
Professional Services	=	250,000
Financial Costs	=	400,000
Necessary and Related Costs	=	700,000
Interest Cost Subsidy	=	<u>3,150,000</u>
Total		\$21,000,000
Adjustment for Proceeds of Land Sale		<u>500,000</u>
ADJUSTED TOTAL		\$20,500,000"

Section 3 - Agreement Supplements. The City Council recognizes that Paragraph 4.)f.) of the Agreement generally described the interest cost subsidy under Section 11-74.4-3(g)(11) of the Act and that Paragraph 4.)e.) of the Agreement authorizes the City to assist the Developer in obtaining financing from the Authority or other governmental agencies. In connection with such interest cost subsidy and assistance, and not inconsistent with the agreement, the appropriate officers of the City are authorized to execute, acknowledge and deliver or cause to be done, executed and delivered, such certificates, agreements, instruments and documents supplemental to this ordinance and to the Agreement and such further acts, instruments, pledges and transfers as may be reasonably required for the better assuring, conveying, transferring, pledging, assigning and confirming unto the City or the Developer or other appropriate persons (including the holders of Bonds issued as contemplated by this ordinance and the Agreement, and any related trustees, registrars or paying agents) all and singular the rights, property and revenues covenanted, agreed, conveyed, assigned, transferred and pledged under or in respect of the Agreement and this ordinance. The City Council acknowledges that the availability of the assistance contemplated by the interest cost subsidy is material to the ability of underwriters to market the Bonds and to the decision of the State of Illinois to support the Bonds with its moral obligation under the Quad City Regional Economic Development Authority Act, all of which the City desires to encourage and assist.

Section 4. Effective Date. That this ordinance shall be in full force and effect from and after passage; approval; and, if required by law, publication in the manner provided by law.

CITY OF MOLINE, ILLINOIS

Allen R. McCaskey  
Mayor

April 23, 1991  
Date

2003-36286

Council Bill No. 91-8  
Special Ordinance No. 91-4-8  
Page 4

Passed: April 23, 1991

Approved: April 23, 1991

Attest: *John L. Lambrecht*  
City Clerk

Approved as to Form:  
*Samuel Woodward*  
City Attorney

G.O. 91-4-8  
An ordinance adopting and approving an amendment to a Tax Increment Redevelopment  
Plan for the City of Moline, Illinois, and related matter.  
Minutes 4-23-91

2003-36286