

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

**6:30 p.m.**

**Tuesday, September 13, 2016**

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### **Presentation**

**Yard Waste Cart Program** (Rodd Schick, Municipal Services General Manager)

### **Questions on the Agenda**

#### **Agenda Items**

- 1. Surplus Property** (Kim Hankins, Public Safety Director)
- 2. Chase Bank Building Development Agreement** (Ray Forsythe, Planning & Development Director)
- 3. 5<sup>th</sup> Avenue Building Development Agreement** (Ray Forsythe, Planning & Development Director and Maureen Riggs, City Attorney)
- 4. Sanitary Sewer Contract** (Scott Hinton, City Engineer)
- 5. Street Light Request** (Scott Hinton, City Engineer)
- 6. MFT Local Agency Agreement** (Scott Hinton, City Engineer)
- 7. Resolution for Improvement** (Scott Hinton, City Engineer)
- 8. Other**
- 9. Public Comment**

#### **Informational**

- Contracting for Engineering Services (Scott Hinton, City Engineer)
- 15th Street A Watermain (Scott Hinton, City Engineer)

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# Explanation

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- 1. A Resolution declaring the following Article 36 seized and forfeited vehicles as surplus property: 2002 GMC Yukon, VIN# 1GKEC13V42R200456, 2003 Buick LeSabre, VIN# 1G4HP54KX34101434, and 2011 Chevrolet Impala LS, VIN# 2G1WF5EK1B1195641. (Kim Hankins, Chief of Police/Public Safety Director)**

**Explanation:** Illinois State statute provides that law enforcement agencies may seize vehicles used during the attempt or commission of specific crimes and subsequently initiate forfeiture proceedings on those vehicles. The above vehicles have been forfeited to the Police Department, and City staff is requesting that they be declared as surplus property and disposed of by the Chief of Police/Public Safety Director through the legal disposal process that is most advantageous to the City, whether sealed bid, auction, negotiation, or otherwise.

**Staff Recommendation:** Approval  
**Fiscal Impact:** Proceeds after costs are for use by the seizing law enforcement agency  
**Public Notice/Recording:** N/A  
**Goals Impacted:** None Identified

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- 2. A Special Ordinance authorizing the Mayor and City Clerk to execute a Performance Based Development Agreement between the City of Moline and Moline 501, L.L.C. and Moline Chase, L.L.C. for the “Chase Bank Building” 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. (Ray Forsythe, Planning & Development Director)**

**Explanation:** Moline 501, L.L.C. and Moline Chase, L.L.C. seek to enter into a Performance Based Development Agreement with the City to facilitate redevelopment of the property: located at 501 15<sup>th</sup> Street, referred to as the Chase Bank Building Project (“Project”). The estimated total project cost for the Project is \$8,333,334.00, which will consist of the Developer completing a Historic Rehabilitation of 501 15<sup>th</sup> Street into 31 market rate apartments and maintaining the existing commercial spaces on the basement, first and annex space with floors 2-9 to contain mostly one bedroom units ranging between 500-800 square feet. Additional amenities will be incorporated, including storage, fitness, and common gathering and recreational spaces. The City wishes to support the redevelopment by granting certain incentives to include TIF. Additional documentation attached.

**Staff Recommendation:** Approval  
**Fiscal Impact:** -\$1,250,000 from TIF #13 account no. 262-0775-496.03-22  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Financially Strong City; A Great Place to Live

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- 3. A Special Ordinance authorizing the Mayor and City Clerk to execute a Third Amendment to the KONE Development Agreement, a Loan Extension Agreement between Financial District Properties HQO, L.L.C. and the City of Moline, a Purchase Agreement with Fifth Avenue Block LLC, an Assignment to HOA Hotels LLC of the Purchase Agreement between the City and Fifth Avenue Block LLC, and a Development Agreement between the City and HOA Hotels LLC for HOA Hotels LLC’s redevelopment of the property located at 1630 5<sup>th</sup> Avenue, Moline, Illinois (n/k/a the Fifth Avenue Building), and the adjacent building located at 1620 5<sup>th</sup> Avenue; and authorizing all appropriate City officers and staff to do all things necessary to complete each of the City’s responsibilities pursuant to said agreements. (Ray Forsythe, Planning & Development Director and Maureen Riggs, City Attorney)**

**Explanation:** The City Council has designated the redevelopment of the Fifth Avenue Building, 1630 5<sup>th</sup> Avenue, Moline, as a priority as it is an integral part of the City’s downtown and such redevelopment would contribute to the City’s economic development. As part of negotiations for the sale of the

building with the current owner of the Fifth Avenue Building, the City agreed to extend the owner's loan term on the KONE building; to amend a term of the Development Agreement so that the owner could own the residential units in the KONE building for that project; and to purchase the Fifth Avenue Building for \$1.8 million. HOA Hotels LLC would like to purchase the Fifth Avenue Building and redevelop it into an approximate 105 room (+/-) nationally branded hotel or an independent boutique brand hotel with amenities such as food & beverage/bar operations, meeting/conference/banquet space, fitness facility, room service, dry cleaning and similar services. HOA Hotels LLC has agreed to take an assignment of the Purchase Agreement between the City and Fifth Avenue Block LLC and to purchase the Fifth Avenue Building directly from Fifth Avenue Block LLC according to the terms of the Purchase Agreement. In addition, the City and HOA Hotels LLC have negotiated terms of a Development Agreement for the demolition, repair and remodel of the Fifth Avenue Building. The City wishes to support the redevelopment by granting certain incentives to include a TIF rebate, a sales tax rebate, and a hotel-motel use tax rebate for the Fifth Avenue Building as well as the adjacent property located at 1620 5<sup>th</sup> Avenue. Additional documentation attached.

**Staff Recommendation:** Approval  
**Fiscal Impact:** \$4,600,000 in total rebates and incentives on a Net Present Value basis  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Strong Local Economy; A Great Place to Live

**4. A Resolution authorizing the Mayor and City Clerk to execute a Contract with Walter D. Laud, Inc. for Project #1255, 2016 Sanitary Sewer Replacement Project.** (Scott Hinton, City Engineer)

**Explanation:** Bids were opened and publicly read on August 30, 2016, for Project #1255 with the following results:

|              |                                |
|--------------|--------------------------------|
| \$289,397.00 | Walter D Laud                  |
| \$355,808.00 | Needhan Excavating             |
| \$364,935.00 | Langman Construction           |
| \$396,027.00 | Valley Construction            |
| \$410,084.00 | Miller Trucking and Excavating |

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

**Staff Recommendation:** Approval  
**Fiscal Impact:** \$400,000 is budgeted in Account #320-1840-433.08-30, WPC, Sanitary Sewer Contracts  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Upgrade city Infrastructure & Facilities

**5. A Resolution authorizing the Mayor and City Clerk to approve of a request for a street light on 9<sup>th</sup> Street A, between 33rd<sup>rd</sup> Avenue and 34<sup>th</sup> Avenue.** (Scott Hinton, City Engineer)

**Explanation:** Staff received a request for an additional street light on 9th Street A, between 33rd Avenue and 34<sup>th</sup> Avenue. An investigation revealed that installing a light in said location is justified under the Residential Street Light Policy.

**Staff Recommendation:** Approval  
**Fiscal Impact:** Annual cost of a street light is approximately \$93.00. \$475,000.00 is budgeted for street lights in account #010-0843-435.04-16, Traffic Signal Maintenance, Utility Service.  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Upgrade City Infrastructure & Facilities

**6. A Resolution authorizing the Mayor and City Clerk to approve a Local Agency Agreement for Federal Participation for Motor Fuel Tax Section 15-00264-00-BR, Sylvan Slough Pedestrian Bridge.** (Scott Hinton, City Engineer)

**Explanation:** The City of Moline will receive Federal transportation funds through the Illinois Department of Transportation in an amount not to exceed \$1,137,600 to replace the existing pedestrian bridge over the Sylvan Slough. The Federal funds require a 20% local match. The 2017 Capital Improvement Program will include \$284,400 in Motor Fuel Tax (MFT) funds to provide the local match. Approving this Agreement provides acknowledgement to IDOT that the City has sufficient funds available to fund the local match, all participating construction costs above the maximum federal contribution, and all non-participating construction costs.

**Staff Recommendation:** Approve.  
**Fiscal Impact:** MFT funds are available for this project.  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Strong Local Economy  
Improved City Infrastructure & Facilities

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**7. A Resolution authorizing the approval of a Resolution for Improvement by Municipality Under the Illinois Highway Code for Motor Fuel Tax (MFT) Section 15-00264-00-BR, Sylvan Island Pedestrian Bridge.** (Scott Hinton, City Engineer)

**Explanation:** A Resolution for Improvement is necessary to use Motor Fuel Tax funds to pay for the City's 20% share of the bridge replacement project. The maximum Federal participation is \$1,137,600 with a corresponding \$284,400 City share.

**Staff Recommendation:** Approval  
**Fiscal Impact:** Funds are available and will be budgeted in the 2017 Capital Improvement Program.  
**Public Notice/Recording:** N/A  
**Goals Impacted:** Strong Local Economy  
Improved City Infrastructure & Facilities

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## **DEVELOPMENT AGREEMENT**

Between the

**CITY OF MOLINE**

and

**MOLINE 501, L.L.C. AND MOLINE CHASE, L.L.C.**

**“CHASE BANK BUILDING”**

THIS INDENTURE ("Agreement") made and entered into on this \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Moline, an Illinois Municipal Corporation (“City”), and Moline 501, L.L.C., an Iowa limited liability company and Moline Chase, L.L.C., an Illinois Limited Liability Company, as tenants in common, duly registered to do business in the State of Illinois. (“Developer”).

WITNESSETH:

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

WHEREAS, the City wishes to enter into this Performance-Based Development Agreement with the Developer in order to facilitate redevelopment of the Property (as defined below) located at 501 15th Street and

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

- i. Completion of a Historic Rehabilitation of 501 15th Street into 31 market rate apartments and maintaining the existing commercial spaces on the basement, first and annex space with floors 2-9 to contain mostly one bedroom units ranging between 500-800 square feet. Additional amenities will be incorporated, including storage, fitness, and common gathering and recreational spaces.
- ii. The entire property, including the attached annex, is comprised of approximately 48,000 sq. ft.; roughly 31,500 sq. ft. of renovations are planned as part of the primary apartment conversion. Additional improvements will be necessary to facilitate the location of a tenant in the 17,883 sq. ft. annex.

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

WHEREAS, the Redevelopment Project is to take place upon that certain real property described above as parcel number 08-5719, which is more particularly described in Exhibit A, "Legal Description," attached hereto and incorporated herein by this reference thereto; and

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

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

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

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

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

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

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

The following sets forth the intentions, undertakings and contractual obligations and responsibilities of the City under this Agreement in accordance with the

Development Timetable contained in Exhibit B, attached hereto and incorporated by reference herein:

- A. Maximum TIF Payment. The City's total payment paid from the net incremental real estate tax generated by the Redevelopment Project under this Section I shall not extend beyond December 31, 2039, which is the expiration of the property tax TIF district.

The estimated total project cost for the Redevelopment Project is Eight Million Three Hundred Thirty Three Thousand Three Hundred Thirty Four Dollars and 00/100 (\$8,333,334.00). Fifteen percent (15%) of the estimated total project cost equals One Million Two Hundred Fifty Thousand and 00/100 Dollars (\$1,250,000.00). In no event shall the maximum total assistance ever exceed One Million Two Hundred Fifty Thousand Dollars and 00/100 distributed from the property tax rebate. In the event that the total project cost is less than the amount shown above, then fifteen percent (15%) of the reduced project cost will be the maximum amount paid to the Developer through the term of this Agreement. If, for example, the total project costs are twenty percent (20%) less than the amount shown above, then the total City rebate distributed from the property tax rebate will be reduced by twenty percent (20%).

- B. Property Tax Rebate. The City shall pay through its TIF Fund to Developer ninety percent (90%) of the net incremental annual real estate taxes once collected by the City. The net incremental annual real estate taxes paid to the City shall be reimbursed to the Developer only to pay for eligible redevelopment expenses allowed under the Act (65 ILCS 5/11-74.4-3) as illustrated in Exhibit C, "TIF Eligible Expenses," attached hereto and incorporated herein by this reference, subject to the maximum identified in I.A. above.

The base year for computation purposes of the net incremental annual real estate taxes is agreed to be 2016, and the base Equalized Assessed Valuation (EAV) for the base year 2016 for parcel 08-5719 is Three Hundred Seventy Three Thousand Twelve Dollars (\$373,012.00). The property tax rebate period will start with assessment year 2017 and payment year 2018. The payment shall be from the incremental property tax generated solely by the Property, and paid to the City's TIF Account; the City shall remit to the Developer within thirty-days (30) after receipt of total annual payment into said City's TIF Account from Rock Island County. Ninety percent (90%) of the Incremental Real Estate Taxes generated will be paid to the Developer for the particular year in question as set forth above until the maximum rebate has been paid.

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

- C. Maximum Amount of Property Tax Rebate. Pursuant to 65 ILCS 5/11-74.4-3(q), the maximum amount of rebate shall not exceed the sum of all reasonable or necessary eligible expenses (see Exhibit C) incurred or incidental to the Redevelopment Plan and Redevelopment Project.
- D. Final Payment. Upon final payment of the amount specified in paragraph I.A., above, or upon making the final payment as specified in I.B. above, the City's obligations under this Agreement shall be fully paid and satisfied regardless of the total amount of payments actually received by the Developer.
- E. 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.
- F. Enterprise Zone Benefits. The City shall take no action to eliminate the Enterprise Zone while still authorized by statute for the benefit and duration of the Redevelopment Project by which means materials can be purchased for the construction of the Redevelopment Project without the imposition of sales tax and other economic benefits may be obtained under the Enterprise Zone guidelines as are available under the law. The City will cooperate and assist the Developer in its application for all Enterprise Zone benefits, if any, but the City does not warrant or assure or guarantee that any such benefits will be available to the Developer.
- 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.

**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.
- B. Developer agrees to complete the following project elements in accordance with the Development Timetable attached hereto and incorporated herein by reference as Exhibit B:
- i. Completion of a Historic Rehabilitation of 501 15th Street into 31 Market Rate Apartments and maintaining the existing commercial spaces on the basement, first and annex space with floors 2-9 to contain mostly one bedroom units ranging between 500-800 square feet. Additional amenities will be incorporated, including storage, fitness, and common gathering and recreational spaces.
  - ii. The entire property, including the attached Annex, is comprised of approximately 48,000 sq. ft.; roughly 31,500 sq. ft. of renovations are planned as part of the primary apartment conversion. Additional improvements will be necessary to facilitate the location of a tenant in the 18,000 sq. ft. Annex.
- C. Code Compliance. To the best of the Developer's knowledge, the Redevelopment Project, as designed, is and shall be in full compliance with all applicable state and local laws and ordinances. Further, Developer warrants that the City Code Compliance Manager or Building Official and City Fire Department shall have approved all building plans submitted and agrees to follow all recommendations and requirements of the City Code and the City Code Compliance Manager or Building Official and Fire Chief.
- D. Assessed Valuation. Developer agrees not to appeal the annual assessed valuation of the Property as determined by the Moline Township Assessor until the expiration of this TIF district, provided that any such assessment is consistent with that of comparable properties

within the Quad Cities or by an independent appraisal mutually agreed to by the City and Developer.

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

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

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

### **IV. WARRANTIES OF THE CITY.**

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

### **V. WARRANTIES OF THE DEVELOPER.**

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

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

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

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

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

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

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

## **VII. ENTIRE AGREEMENT.**

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

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

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

The Developer hereunder may assign the rights, duties, and obligations of the Developer only with the prior written consent of the City (which consent may not unreasonably be withheld).

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 paragraph, consent shall be deemed given by the City upon execution of this Agreement for any assignment to any person or entity having a verified net worth of not less than Five Million and No/100 Dollars (\$5,000,000.00). If a request for consent is not denied in writing on or before thirty (30) days after written request, such consent shall be deemed given.

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

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

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

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

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

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

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

C. If, in the Developer's judgment, the City is in material default of this Agreement, the Developer shall provide the City with a written statement indicating in adequate detail any failure on the City's part to fulfill its obligations under this Agreement. The Developer may not exercise any remedies against the City in connection with such failure until thirty (30) days after giving such notice. If such default

cannot be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of the same, so long as the City diligently proceeds with such cure; if such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. A default not cured as provided above shall constitute a breach of this Agreement. Any failure or delay by the Developer in asserting any right or remedy as to any default or any alleged default or breach shall not operate as a waiver of any such default or breach or of any rights or remedies it may have as a result of such default or breach.

D. In addition to any other rights or remedies, a party may institute legal action against the other party to cure, correct or remedy any default, or to obtain any other remedy consistent with the purpose of this Agreement, either at law or in equity, including, but not limited to the equitable remedy of an action for specific performance. Notwithstanding the foregoing, in the event either party shall institute and complete legal action against the other party because of a breach of any agreement or obligation contained in this Agreement, the substantially prevailing party shall be entitled to recover all costs and expenses, including reasonable attorneys' fees, incurred in connection with such action.

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

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

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

## **XIII. NOTICES.**

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

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

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

TO DEVELOPER: Moline 501, L.L.C.  
4600 E. 53<sup>rd</sup> Street  
Davenport, IA 52807

Moline Chase, L.L.C.  
4600 E. 53<sup>rd</sup> Street  
Davenport, IA 52807

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.

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

**XX. DELAYED EXECUTION.**

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

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

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

**XXII. TERM.**

This Agreement shall be in full force and effect from and after execution hereof by the last party to execute same and shall remain in full force and effect to and until the earlier of (i) December 31, 2039 and (ii) the final net incremental annual real estate property tax payment generated under the TIF Ordinances for TIF eligible Project costs have been received by Developer.

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

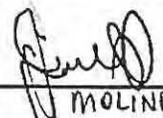
**THE CITY OF MOLINE, ILLINOIS**

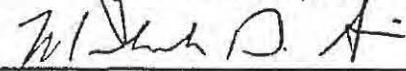
**Moline 501, L.L.C. and  
Moline Chase, L.L.C.**

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

DATED: 9/6/16

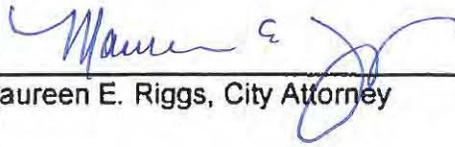
By: \_\_\_\_\_  
Scott Raes, Mayor

By:  \_\_\_\_\_  
MOLINE 501, LLC

By:  \_\_\_\_\_  
MOLINE CHASE, LLC

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

Approved as to form:

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

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **Scott Raes and Tracy Koranda** to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the **CITY OF MOLINE**, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

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

STATE OF IOWA )  
 ) SS:  
COUNTY OF SCOTT )

On this 6<sup>th</sup> day of September, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared James V. Russell to me personally known, who being by me duly sworn (or affirmed) did say that they are the Managers of **Moline 501, L.L.C.**, and that said instrument was signed on behalf of the Corporation; James V. Russell acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by him voluntarily executed.

Jennifer Belby  
\_\_\_\_\_  
NOTARY PUBLIC



STATE OF California )  
 ) SS:  
COUNTY OF San Mateo )

On this 6<sup>th</sup> day of September, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared Mahesh D. Amin to me personally known, who being by me duly sworn (or affirmed) did say that they are the Managers of **Moline Chase, L.L.C.** and that said instrument was signed on behalf of the Corporation; Mahesh D. Amin acknowledged the execution of said instrument to be the voluntary act and deed of said Corporation, by it and by him voluntarily executed.

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

see attached

A notary public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California ) ss  
County of San Mateo )

On the 6<sup>th</sup> day of September, 2016 before me, Noelle Callaway, Notary Public, personally appeared Mahesh D. Amin as a manager of Moline Chase who proved to me on satisfactory evidence to be the person(s) whose name(s) is/are subscribed to within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity(ies), and that by his/hers/their signatures(s) on the instrument the person(s), or entity upon behalf of which the person(s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the law of the State of California the forgoing paragraph is true and correct.

WITNESS my hand and seal.



Noelle Callaway  
Noelle Callaway  
Notary Public, San Mateo County  
Commission #2094085  
Expires December 19, 2018

If marked, then attached pages will bear embossment of above notary.

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

**Tract I**

Lot 1 and the East 21 feet of Lot 2, all in Block 1 of Pitts, Gilbert and Pitts' First Addition to the City of Moline, County of Rock Island, Illinois; and that part of Fifth Avenue vacated by ordinance dated April 3, 1876, lying adjacent to the North side of said Tract 1; and that part of 15<sup>th</sup> Street and the public alley vacated by ordinance dated January 26, 1982 and recorded as Document Number 901795, lying adjacent to the South and East side of said Tract 1;

**Tract II**

Lots 3, 4, 5 and the West 21 feet of Lot 2, all in Block 1 of Pitts, Gilbert and Pitts' First Addition to the City of Moline, County of Rock Island, Illinois; and that part of Fifth Avenue vacated by Ordinance dated April 3, 1876, lying adjacent to the North side of Tract 2;

**Tract III**

The North Forty-one (41) feet 3 inches of Lot Number Ten (10) in Block Number One (1) in that part of the City of Moline known as and called Pitts, Gilbert and Pitts' First Addition, Also, the North 26 feet of the South 108.95 feet of Lot Number Ten (10) in Block Number One (1) in that part of the City of Moline known as and called Pitts, Gilbert and Pitts' First Addition;

Also, that part of Lot Number Nine (9) in Block Number One (1) of said Pitts, Gilbert and Pitts' First Addition to the Town, now City of Moline described as follows, to wit:

Commencing 40 feet South on the Northeast Corner of said Lot Number Nine (9), thence running South 27 feet, thence West 1½ feet, thence North 27 feet, thence East 1½ feet to the place of beginning; all situated in the County of Rock Island and State of Illinois.

**Tract IV**

Lot Number Nine (9) in Block 1 of Pitts, Gilbert and Pitts' First Addition to the City of Moline, together with so much of Ann Street as has heretofore been vacated, excepting therefrom the following described property, to wit:

That part of Lot Number Nine (9) in Block Number One (1) of said Pitts, Gilbert and Pitts' First Addition to the Town, now City of Moline described as follows, to wit:

Commencing 40 feet South on the Northeast corner of said Lot Number Nine (9), thence running South, 27 feet, thence West 1½ feet to the place of beginning; all situated in the County of Rock Island and State of Illinois.

**EXHIBIT B**

**DEVELOPMENT TIMETABLE**

Begin Construction on 501 15th Street

Upon approval of  
Performance-Based  
Development  
Agreement by City  
Council

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

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

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

**EXHIBIT D**  
**ILLUSTRATIVE EXAMPLE OF REBATE**

5th Avenue Building  
ESTIMATED INCREMENT WORKSHEET  
6/28/2015

|                            |                 |   |
|----------------------------|-----------------|---|
| Total Project Cost         | \$ 8,333,334.00 |   |
| Current Market Value       | \$ 1,119,036.00 |   |
| EAV Estimate at Completion | \$ 5,833,333.80 | Fair Market Value (70% of project cost)   |
|                            | \$ 1,250,000.10 | Rebate Amount (15% of Total Project Cost) |

| ID # | Address              | Total Fair Market Value (FMV) | EAV (2016)    | "base" EAV (2016) | New EAV         | *Project Increment | 2015 Tax Rate 9.0085 | Development Increment |
|------|----------------------|-------------------------------|---------------|-------------------|-----------------|--------------------|----------------------|-----------------------|
|      | 5719 501 15th Street | \$ 5,833,333.80               | \$ 373,012.00 | \$ 373,012.00     | \$ 1,944,444.60 | \$ 1,571,432.60    | 9.3085               | \$ 146,276.80         |
|      |                      | \$ 5,833,333.80               | \$ 373,012.00 | \$ 373,012.00     | \$ 1,944,444.60 | \$ 1,571,432.60    |                      | \$ 146,276.80         |

**REBATE ESTIMATE SCHEDULE**

| No. Of Yrs.  | Assmt Yr** | Payable Yr | Net Prop. Tax Incr.*  | Prop. Tax Rebate      | % Dev'r. PTX Rebate | Balance To TIF Redevelopment Fund |
|--------------|------------|------------|-----------------------|-----------------------|---------------------|-----------------------------------|
| 1            | 2017       | 2018       | \$73,138.40           | \$65,824.56           | 90%                 | \$7,313.84                        |
| 2            | 2018       | 2019       | \$149,202.34          | \$134,282.11          | 90%                 | \$14,920.23                       |
| 3            | 2019       | 2020       | \$152,186.39          | \$136,967.75          | 90%                 | \$15,218.64                       |
| 4            | 2020       | 2021       | \$155,230.11          | \$139,707.10          | 90%                 | \$15,523.01                       |
| 5            | 2021       | 2022       | \$158,334.72          | \$142,501.24          | 90%                 | \$15,833.47                       |
| 6            | 2022       | 2023       | \$161,501.41          | \$145,351.27          | 90%                 | \$16,150.14                       |
| 7            | 2023       | 2024       | \$164,731.44          | \$148,258.30          | 90%                 | \$16,473.14                       |
| 8            | 2024       | 2025       | \$168,026.07          | \$151,223.46          | 90%                 | \$16,802.61                       |
| 9            | 2025       | 2026       | \$171,386.59          | \$154,247.93          | 90%                 | \$17,138.66                       |
| 10           | 2027       | 2027       | \$174,814.32          | \$32,340.65           | 19%                 | \$142,473.67                      |
| <b>Total</b> |            |            | <b>\$1,528,551.79</b> | <b>\$1,250,704.37</b> |                     | <b>\$277,847.42</b>               |

2017 is a Partial Year Estimate based on Opening July 31, 2017

### **THIRD AMENDMENT TO DEVELOPMENT AGREEMENT**

This Third Amendment to Development Agreement (the "Amendment"), is made and entered into on this \_\_\_\_ day of \_\_\_\_\_, 2016, by and between the City of Moline, an Illinois Municipal Corporation ( "City"), and Financial District Properties KP, LLC, an Illinois limited liability company ("Developer").

#### **RECITALS**

A. WHEREAS, the Developer and the City entered into that certain Development Agreement dated June 17, 2009 and a First Amendment to Development Agreement dated December 17, 2010 in connection with the KONE Centre project (the "Development Agreement"); and

B. WHEREAS, Section 1.F.d. of the Development Agreement originally required that Developer sell and close to third party buyers 75% of the residential units within the KONE Centre building before any property tax rebates are issued to Developer and was later amended to say that 75% of the residential units were to be leased or sold to third party buyers; and

C. WHEREAS, Developer has not been able to sell the residential units because potential buyers have been unable to obtain conventional financing to purchase the units based upon their location within a commercial building that contains few other existing residential units; and

D. WHEREAS, Developer therefore proposes to complete construction of the residential units and retain ownership and offer them for lease; and

E. WHEREAS, the City and Developer have agreed to the terms of this Amendment.

#### **TERMS OF AGREEMENT**

NOW THEREFORE, in consideration of the recitals and mutual covenants contained herein, and for other good and valuable consideration, the sufficiency and receipt of which are

hereby acknowledged by all parties, the City and the Developer contract and agree as follows:

1. Section 1.F.d., "Maximum Amount of Property Tax Rebate," which states:

"d. 75% of the residential units are leased or sold and closed to third party buyer."

is hereby deleted from the Development Agreement.

2. Except as specifically amended by this Amendment, all other terms, provisions and conditions contained in the Development Agreement and its First Amendment are and remain in full force and effect in accordance with their terms.

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

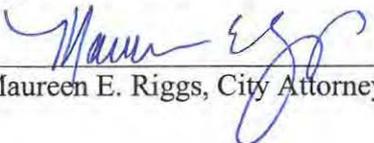
**THE CITY OF MOLINE, ILLINOIS**

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

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

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

Approved as to form:

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

**FINANCIAL DISTRICT PROPERTIES KP, L.L.C.**

DATED: 9-2-16

By:   
\_\_\_\_\_  
Rodney A. Blackwell, Manager

*Notary provisions on next page*

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **SCOTT RAES** and **TRACY A. KORANDA** to me personally known, who, being by me duly sworn, did say that they are the **Mayor** and **City Clerk**, respectively, of the **City of Moline**, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

\_\_\_\_\_  
Notary Public

STATE OF Iowa )  
 ) SS:  
COUNTY OF Scott )

On this 2nd day of Sept, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared **RODNEY A. BLACKWELL**, to me personally known, who being by me duly sworn (or affirmed) did say that he is the **Manager** of **Financial District Properties KP, LLC**, an Illinois limited liability company, and that said instrument was signed on behalf of the company by said Rodney A. Blackwell as Manager of said company. Rodney A. Blackwell acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company, by it and by him voluntarily executed.

(seal)

Jennifer Kakert  
Notary Public



## EXTENSION AGREEMENT

This Extension Agreement made this \_\_\_\_\_ day of \_\_\_\_\_, 2016, between Financial District Properties HQO, L.L.C., an Illinois limited liability company (“Borrower”) and City of Moline, Illinois, a municipal corporation (“Lender”), extends the term of the Promissory Note, dated December 17, 2007, as amended by the First Amendment to Promissory Note dated July 23, 2012, and by the Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder’s office of Rock Island County, Illinois (“Note”), and extends the term of certain of those documents securing said Note, said documents being:

- a. the Loan and Property Development Agreement dated December 5, 2007, as amended by the First Amendment to Loan and Property Development Agreement dated July 23, 2012, and by the Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder’s office of Rock Island County, Illinois (“Loan Agreement”);
- b. the Mortgage dated and recorded on December 17, 2007, as Document Number 2007-29733, in the Recorder’s office of Rock Island County, Illinois, and by the Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder’s office of Rock Island County, Illinois (“Mortgage”);
- c. the Collateral and Security Agreement dated December 16, 2010, as amended by the First Amendment to Collateral and Security Agreement dated July 23, 2012 and by the Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder’s office of Rock Island County, Illinois (“CSA”);
- d. the Personal Guaranty dated December 17, 2007, made by Rodney A. Blackwell, Guarantor;
- e. the Security Agreement dated March 10, 2008, made by Assignor to Assignee;
- f. the Guaranty of Hilltop Properties, L.L.C., an Iowa limited liability company, Rodney A. Blackwell, individually, and Jodi Blackwell, individually – jointly and severally, dated December 16, 2010;
- g. the Collateral Assignment of Certain Financial Interest between the City of Moline, Illinois, FDP, Inc., an Iowa corporation, and Rodney Blackwell dated December 16, 2010;

h. the Agreement for Additional Payment between Financial District Properties HQO, LLC, and the City of Moline dated August 29, 2014; and

any and all other documents executed in connection with or as security on the Note constitute the loan documents, (collectively referred to hereinafter as "Loan Documents" and individually a "Loan Document") which cover the real and personal property described in the Loan Documents and defined therein as the "Property", located at the following common addresses:

Parcel I: 1 Blackwell Boulevard, Moline, IL 61265 f/k/a 1 KONE Court, Moline, IL, 61265 (Tax Parcel Number MO-2451),

Parcel II: 30 20<sup>th</sup> Street, Moline, IL 61265 (Tax Parcel Number MO-2451-A),

Parcel IV: 325 19<sup>th</sup> Street, Moline, IL 61265 (Tax Parcel Number MO-5468),

Parcel VI: 1722 River Drive, Moline, IL 61265 (Tax Parcel Number MO-5463),

and said real property legally described as follows:

See Attached Exhibit "A" Legal Descriptions attached hereto and incorporated herein by this reference.

WHEREAS, the Borrower and the Lender entered into a Loan Modification and Amendment Agreement dated September 5, 2014 and recorded on September 9, 2014 as Document No. 2014-15634 in the Recorder's office of Rock Island County, Illinois;

WHEREAS, by the terms of the Loan Modification and Amendment Agreement, in paragraph 5, the Maturity Date of the Note was December 31, 2014;

WHEREAS, paragraph 5 allowed the City to extend the term of the Note, and any and all documents securing the Note, for one-year intervals, through December 31, 2016, if the City's lender agreed to renew or extend the City's note and the Borrower is not in default under any Loan Documents;

WHEREAS, the City's lender agreed to extend the City's note to December 31, 2015 and the parties mutually agreed to such extension prior to December 31, 2014, and documented their agreement in an executed written extension dated July 23, 2015;

WHEREAS, the City's lender again agreed to extend the City's note to December 31, 2016 and the parties mutually agreed to such extension prior to December 31, 2015, and documented their agreement in an executed written extension dated January 5, 2016;

WHEREAS, the parties previously agreed there would be no further extensions after December 31, 2016;

WHEREAS, the parties now mutually agree to one additional extension beyond December 31, 2016, with all other terms and conditions remaining unchanged;

WHEREAS, the parties have now agreed to extend the term of the Note, and any and all documents securing the Note for an additional six months, to June 30, 2017, if the City's lender agrees to renew or extend the City's note and the Borrower is not in default under any Loan Documents; and

WHEREAS; the City's lender has agreed to extend the City's note;

WHEREAS, the Borrower is not in default under any Loan Documents; and

WHEREAS, the parties enter into this written agreement to extend the term to June 30, 2017.

In consideration of the mutual promises and agreements exchanged, the parties hereto agree as follows:

1. The Loan Modification and Amendment Agreement and all Loan Documents shall be extended for six months, to June 30, 2017.
2. Due to the extension, the Maturity Date of the Note shall be June 30, 2017.
3. All references to the Maturity Date throughout the Loan Documents shall be June 30, 2017.
4. Except as herein modified, all of the conditions, covenants and agreements contained in said Loan Documents shall remain in full force and effect. This Extension Agreement does not amend or alter any of the borrower's obligations under any other Loan Documents with the City of Moline.

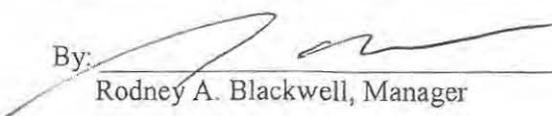
**The City of Moline, Illinois,  
a municipal corporation**

**Financial District Properties HQO, L.L.C.,  
an Illinois limited liability company**

Dated: \_\_\_\_\_

Dated: 9/5/16

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

By:   
Rodney A. Blackwell, Manager

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

Tracy A. Koranda, City Clerk

Approved as to form:

Maureen E. Riggs  
Maureen E. Riggs, City Attorney

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared SCOTT RAES and TRACY A. KORANDA, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Moline, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

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

STATE OF Iowa )  
 ) SS:  
COUNTY OF South )

On this 6<sup>th</sup> day of Sept, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared Rodney A. Blackwell, to me personally known, who being by me duly sworn did say that he is the Manager of Financial District Properties HQO, L.L.C., executing the within and foregoing instrument to which this is attached; that said instrument was signed on behalf of said corporation and such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

Jennifer Kakert  
NOTARY PUBLIC



EXHIBIT A

Parcel I: Lots Number One (1), Two (2), Three (3) and Four (4) in Block "E" in that part of the City of Moline known as and called George Davenport's Addition to said City.

Also the East Sixteen (16) feet of Twentieth Street vacated by Ordinance passed April 21, 1930 by the City Council of the City of Moline and recorded in Book 254 of Deeds, Page 497, Number 269278 in the Office of the Recorder of Deeds of Rock Island County, Illinois, as lies adjacent to and abutting said above described Lot Number Four (4) and to the center of vacated First Avenue;

Also the Westerly half of Twenty First Street vacated by Ordinance passed February 1, 1926 by the City Council of said City recorded in Book 234 of Deeds, Page 315, Number 241396 in said Recorder's Office as lies adjacent to and abutting said Lot Number One (1) and South to the center line of vacated First Avenue; Also the Northerly Half of First Avenue vacated by Ordinance passed March 6, 1916 by the City Council of said city recorded in Book 176 of Deeds, Page 509, Number 172884 in said Recorder's Office, as lies adjacent to and abutting said Lots Number One (1), Two (2), Three (3) and Four (4) and between the West line of the vacated East Sixteen (16) feet of Twentieth Street and the center line of vacated Twenty First Street;

Excepting and reserving, however, so much of the above as is conveyed in deed from Montgomery Elevator Company to Moline Tool Company by deed recorded in Book 184 of Deeds, Page 107, Number 176645 in the Office of the Recorder of Deeds of Rock Island County, Illinois, and hereinbefore shown.

Also Lots 1 and 2 in Moline Tool Company's Addition to the City of Moline, situated in Rock Island County, Illinois.

Also; Beginning at the Southeast corner of Lot Number One (1) Block V, in that part of the City of Moline known as and called George Davenport's Addition to said City; thence Westerly along the southerly line of said Lot Number One (1) and Lot Number Two (2), Block V, of said George Davenport's Addition a distance

of Eighty-five and Sixty-one Hundredths (85.61) feet to the easterly line of the right of way of the Iowa-Illinois Memorial Bridge; thence northeasterly along the easterly line of the right of way of the Iowa-Illinois Memorial Bridge a distance of Two Hundred Ten and Fifty-nine Hundredths (210.59) feet to a point in the easterly line of said Lot Number One (1), Block V of said George Davenport's Addition, which is One Hundred Ninety-two and Ninety-five Hundredths (192.95) feet northerly of said Southeast corner of said Lot Number One (1) Block V; thence Southerly along the Easterly line of said Lot Number One (1) Block V of said George Davenport's Addition, a distance of One Hundred Ninety-two and Ninety-five Hundredths (192.95) feet to the point of beginning, situated in Rock Island County, Illinois.

Beginning at the Northeast corner of Lot Number Two (2) in Moline Tool Company's Addition to the City of Moline; thence Westerly along the Northerly line of said Lot Number Two (2) a distance of One Hundred Twenty-seven (127) feet, more or less, to the Easterly line of the right of way of the Iowa-Illinois Memorial Bridge; thence Northeasterly along the said Easterly right of way line of said Iowa-Illinois Memorial Bridge a distance of Forty-two (42) feet, more or less, to a point in the southerly line of Lot Number Two (2) in Block V in that part of the City of Moline known as and called George Davenport's Addition, which said point is Ninety-eight and Sixty-one Hundredths (98.61) feet, more or less, Westerly of the Southeast corner of Lot One (1) Block V in that part of the City of Moline known as and called George Davenport's Addition; thence Easterly along the Southerly line of said Lot Number Two (2) and Lot Number One (1) in Block V in George Davenport's Addition a distance of Ninety-eight and Sixty-One Hundredths (98.61) feet, more or less to the Southeast corner of said Lot Number One (1); thence Southerly along the Easterly line of said Lot Number One (1) Block V, projected Southerly a distance of Forty (40) feet to the point of beginning; situated in Rock Island County, Illinois.

AN EASEMENT for passenger vehicle parking purposes as created by and contained in a Special Warranty Deed dated May 13, 1958 and recorded on May 16, 1958 as Document Number 520828 over the real estate described as follows:

All that part of lots numbers one (1) and Two (2) in Block V in George L. Davenport's Addition to the City of Moline lying westerly of a line described as follows:

Commencing at a point on the east line of lot number one (1) in Block V in said Addition which is One Hundred Ninety-two and ninety-five hundredths (192.95) feet North of the southeast corner of said Lot Number One (1); thence Southwesterly to a point in the South line of Lot Number Two (2) in Block V of said Addition, which is Seventy-four and thirty-nine hundredths (74.39) feet east of the southwest corner of said Lot Number Two (2); together with so much of those lands adjoining and adjacent to the lands above particularly described and lying in the West half of the Public Street, or in the bed of the Mississippi River there situate, to the middle or thread of the stream of the said Mississippi River, situated in the City of Moline, County of Rock Island and State of Illinois.

**SUBJECT TO:**

Rights of the State of Illinois in and to a Three-Dimensional Permanent Easement created by Condemnation Judgment Order entered on September 28, 1972 in Case No. 72ED2 over the real estate described as follows:

A portion of a part of Lots 1 and 2 in Block V in George Davenport's Addition, being an Addition in the NE $\frac{1}{4}$  of Section 32, Township 18 North, Range 1 West of the 4th Principal Meridian; said part of Lots 1 and 2 in said Block V being described as lying easterly of a line described as follows:

Beginning at a point on the east line of said Lot 1, said point being 192.95 feet north of the southeast corner of said Lot 1; thence southerly to a point in the south line of said Lot 2, said point being 74.39 feet easterly of the southwest corner of said Lot 2.

All that portion of the above described part of said Lots 1 and 2 which lies westerly of a line that is 60 feet westerly of and parallel with the east line of said Lot 1.

A tract of land in Lot 2 of Moline Tool Company's Addition to the City of Moline, being an Addition in the NE $\frac{1}{4}$  of Section 32, Township 18 North, Range 1 West of the 4th Principal Meridian, described as follows: All that part of said Lot 2 of Moline Tool Company's Addition to the City of Moline which lies westerly of a line that is 80 feet westerly of and parallel with the easterly line of said Lot 2.

A tract of land in First Avenue lying between Lots 1 and 2 in Block V in George L. Davenport's Addition to the City of Moline and Lot 2 in Moline Tool Company's Addition to the City of Moline, bounded and described as

follows:

Commencing at the southeasterly corner of said Lot 1 in Block V in George L. Davenport's Addition to the City of Moline; thence westerly on the southerly line of said Lot 1, a distance of 60 feet to a point, said point being Lot 1, a distance of 60 feet to a point, said point being the point of beginning of the hereinafter described tract; thence continuing westerly on said southerly line of Lot 1 and the southerly line of said Lot 2 in Block V in George L. Davenport's Addition to the City of Moline, to a point in the east line of that part of First Avenue conveyed by the Moline Tool Company to the City of Moline by Quit Claim Deed recorded in the Recorder's Office of Rock Island County, Illinois.

Lot Number Eight (8) and the East Ten (10) feet of Lot Number Seven (7) in Block Number Five (5) in that part of the City of Moline known as and called George Davenport's Addition, situated in the County of Rock Island, in the State of Illinois.

Parcel II: Block "R" in Bailey Davenport's First Addition to the City of Moline, and the South Half of vacated Second Avenue lying between the East line of Twenty-First Street and the West line of Twenty-Second Street, excepting therefrom all that part of Bailey Davenport's First Addition, situated in the Northeast Quarter of Section 32 and the Northwest Quarter of Section 33, Township 18 North, Range 1 West of the 4th Principal Meridian, described as follows:

Beginning at the Southwest corner of Block "R" of said Bailey Davenport's First Addition; thence Northeast to the Southeast corner of said Block "R"; thence Northwest 45 feet to a point in the East line of said Block "R"; thence Southwest to a point in the west line of said Block "R", said point being 45 feet Northwest of the point of beginning; thence Southeast to the point of beginning; situated in the City of Moline, Rock Island County, Illinois.

Part of Lot 2 of LeClaire's Reserve, described as follows: A strip of land Thirty (30) feet in width extending from the East line of Twenty-Second Street East a distance of Three Hundred and Forty (340) feet to the land of Catherine Davenport, the North line of which strip shall be the same as the South line of the right of way of the Chicago, Burlington and Quincy Railway Company, as granted in a conveyance from Dimock Gould & Co. on December 17, 1881; situated in the City of Moline, County of Rock Island and State of Illinois.

Part of Lot 2 of LeClaire's Reserve, described as follows: A triangular piece of ground described as follows: Beginning at a point where the East line of Twenty-second Street in the City of Moline, County of Rock Island, State of Illinois, intersects the South line of the right of way of the Davenport, Rock Island and Northwestern Railway Company as a starting point; thence South along the East line of said Twenty-second Street, a distance of Fifteen feet; thence Easterly on a straight line One Hundred feet to the South line of the right of way of the aforesaid railway company; thence Westerly along the South line of said right of way to the point of beginning, containing Seven Hundred Forty one and Seventy-five Hundredths (741.75) square feet, more or less; the above described premises situated in the City of Moline, County of Rock Island and State of Illinois.

Lot 4 in Block 5 in George Davenport's Addition to Moline, excepting therefrom that part that falls within part of Lots Number Three (3) and Four (4) in Block Number Five (5) in that part of the City of Moline known as and called George Davenport's Addition, described as follows:

Beginning at the Southwest corner of said Lot Number Four (4) in said Block Number Five (5); thence Easterly along the Southerly line of said Lots Four (4) and Three (3), and also the Northerly line of the public alley of said Block Five (5) for a distance of 100 feet; thence Northwesterly along the center line of the Westerly Half of said Lot Three (3) and parallel to the Easterly line of 19th Street for a distance of 76.7 feet; thence Northwesterly on a straight line to a point on the Easterly line of 19th Street which point is 41 feet Southeasterly from the Northwest corner of said Lot Four (4); thence Southeasterly along the Easterly line of 19th Street One Hundred Nine and Six Tenths (109.6) feet to the point of beginning;

But, including, however, the North 41 feet of the East Half of that part of Nineteenth (19th) Street in the City of Moline (now vacated), lying South of the Northerly line of Lot Four (4) in said Block Five (5) extended

West and lying North of the Southerly line of said Lot Four (4) in said Block Five (5) extended West; situated in the City of Moline, Rock Island County, Illinois.

Lot 3 in Block 5 in George Davenport's Addition to Moline, lying South of the South right of way line of the Chicago, Burlington and Quincy Railway Company, excepting therefrom that part that falls within part of Lots Number Three (3) and Four (4) in Block Number Five (5) in that part of the City of Moline known as and called George Davenport's Addition, described as follows:

Beginning at the Southwest corner of said Lot Number Four (4) in said Block Number Five (5); thence Easterly along the Southerly line of said Lots Four (4) and Three (3) and also the Northerly line of the public alley of said Block Five (5) for a distance of 100 feet; thence Northwesterly along the center line of the Westerly Half of said Lot Three (3) and parallel to the Easterly line of 19th Street for a distance of 76.7 feet; thence Northwesterly on a straight line to a point on the Easterly line of 19th Street which point is 41 feet Southeasterly from the Northwest corner of said Lot Four (4); thence Southeasterly along the East line of 19th Street One Hundred Nine and Six Tenths (109.6) feet to the point of beginning;

Also, excepting the premises described as follows:

Beginning at the Southeasterly corner of said Lot Three (3); thence Northerly along the Easterly line of said Lot Three (3) 56.3 feet; thence Northwesterly approximately 42.4 feet to a point on the West line of the East Half ( $\frac{1}{2}$ ) of said Lot Three (3) at a point 70.3 feet Northerly of the South line of said Lot Three (3); thence Southerly along the West line of the East Half ( $\frac{1}{2}$ ) of said Lot 3 for a distance of 70.3 feet to the South line of said Lot 3; thence Easterly along the South line of said Lot Three (3), Forty (40) feet to the point of beginning;

Also, excepting the premises described as follows:

Beginning at the Southeasterly corner of said Lot 3 in said Block 5; thence Westerly along the Southerly line of said Lot Three (3), Forty (40) feet to the point of beginning; thence Northwesterly along the center line of said Lot 3 to a point 70.3 feet Northerly of the South line of said Lot 3; thence Northwesterly on a straight line to a point on the center line of the Westerly Half of said Lot Three (3), 76.7 feet Northerly of the South line of said Lot 3; thence Southeasterly along the center line of the Westerly Half of said Lot 3 and parallel to the Easterly line of 19th Street, 76.7 feet to the South line of said Lot 3; thence Easterly 20 feet to the point of beginning; situated in the City of Moline, Rock Island County, Illinois.

All that part of Lot 2 in Block 5 of George Davenport's Addition to the City of Moline, lying Southerly of the following line: Beginning at a point in the Westerly line of said Lot Two (2) at the South line of the Chicago, Burlington and Quincy Railway right-of-way; thence in a southeasterly direction along a curved line concaved southerly having a radius of 555.14 feet along the south line of the Chicago, Burlington and Quincy Railway right-of-way to a point in the easterly line of said Lot Two; excepting therefrom the south 15 feet of said Lot Two (2) in said Block Five (5); situated in the City of Moline, Rock Island County, Illinois.

That part of Lot 1 in Block 5 in George Davenport's Addition to the City of Moline, described as follows: Beginning at the Southwest corner of Lot Number One (1) in Block Number Five (5) in said Davenport's Addition; thence Northerly along the West line of said Lot One (1) Forty-one and Nine-tenths (41.9) feet; thence Southeasterly along a curve to the right whose radius is Five Hundred Fifty-eight and Seven-tenths (558.7) feet, Sixty-four and Twenty-eight One-hundredths (64.28) feet to a point in the South line of said Lot One (1), Thirty-one and Thirty-five One-hundredths (31.35) feet West of the East line of said Lot One (1); thence Westerly along the South line of said Lot One (1), Forty-eight and Sixty-five One-hundredths (48.65) feet to the Southwest corner of the same;

And, the right of way of the Davenport, Rock Island and Northwestern Railway Company, described as follows, to-wit: 30 feet in width, being 15 feet at right angles on each side of the center line located and described as follows:

Beginning at a point 240 feet Easterly from the East line of 19th Street and 92.7 feet Southerly from the South line of First Avenue; thence along said center line in an arc of a circle curving to the South with a

radius of 573.7 feet a distance of 82.8 feet; thence along said center line in a tangent to the arc 3.8 feet to its intersection with the South line of said Lot One (1) in said George Davenport's Addition to Moline, Illinois, which intersection is 10 feet Westerly from the Southeast corner of said Lot One (1), Block Five (5); excepting the South 15 feet of said Lot 1; situated in the City of Moline, Rock Island County, Illinois.

A tract of land, bounded on the West by a line drawn North and South and 16 feet West of and parallel to the East line of 20th Street, on the South by a curved line with a radius of 789.8 feet, 25 feet Southerly measured at right angles from the center line of the main line track of the Davenport, Rock Island and Northwestern Railway Company, on the East by the West line of 21st Street, and on the North by Lot 2 in Frank Foundries Corporation Addition to the City of Moline: Excepting therefrom the right of way of the Chicago, Burlington and Quincy Railway Company between a line drawn North and South and 16 feet West of and parallel to the East line of 20th Street and Lot 2 of Frank Foundries Corporation Addition to the City of Moline; situated in the City of Moline, Rock Island County, Illinois.

A tract of land located in parts of Lots 5, 6 and 7 in Block P in George Davenport's Addition, and in the vacated Easterly 16.0 feet of 20th Street, and in the vacated Northerly 30.0 feet of 2nd Avenue, said tract being described as follows: Commencing at the Northwest corner of said Lot 5; thence S 25°52' E, 15.8 feet, along the Westerly line of said Lot 5; thence S 64°30' W, 16.0 feet, parallel with the North line of said 2nd Avenue, to the West line of the vacated Easterly 16.0 feet of 20th Street, being the Point of Beginning; thence N 64°30' E, 16.0 feet, parallel with the North line of said 2nd Avenue, to the Westerly line of said Lot 5; thence Easterly, along the Southerly line of Lot 2 in Frank Foundries Corporation Addition (which is a curved line being concave to the North and 9.0 feet Northerly of and radially distant from a centerline described hereinafter), to a point being N 64°30' E, 23.5 feet from the Southeasterly corner of said Lot 7, and S 25°52' E, 8.6 feet, perpendicular from the North line of the vacated North 30.0 feet of 2nd Avenue; thence S 25°52' E, 21.4 feet, parallel with the West line of 21st Street, to the South line of the vacated North 30.0 feet of 2nd Avenue; thence Westerly, along the Northerly right of way line of the Davenport, Rock Island and Northwestern Railroad (which is a curved line being concave to the North and 9.0 feet Southerly of and radially distant from a centerline described hereinafter), to the West line of the vacated Easterly 16.0 feet of 20th Street; thence N 25°52' W, along the West line of the vacated 16.0 feet of 20th Street, to the point of beginning; situated in the City of Moline, Rock Island County, Illinois.

Said centerline is described as passing through the following points:

N 25°52' W, 164.2 feet, from the centerline of Second Avenue, along the West line of the vacated East 16.0 feet of 20th Street;  
N 25°52' W, 122.7 feet, from the Southwesterly corner of said Lot 5, along the West line of said Lot 5;  
N 25°52' W, 60.0 feet, from the Southwesterly corner of said Lot 6, along the West line of said Lot 6;  
N 25°52' W, 18.17 feet, from the Southwesterly corner of said Lot 7, along the West line of said Lot 7;  
N 64°30' E, 46.75 feet, from the Southwesterly corner of said Lot 7, along the South line of said Lot 7;  
N 64°30' E, 23.5 feet, from the Southwesterly corner of said Lot 8, along the South line of said Lot 8, and S 25°52' E, 19.3 feet, perpendicular from the North line of the vacated North 30.0 feet of 2nd Avenue.

A parcel of land, located in Lots 1, 2 and 3 in Block 5 in George L. Davenport's Addition to the City of Moline, Rock Island County, Illinois, described as follows:

Commencing at the Northeasterly corner of Lot 1; thence South 25°08' East, 114.00 feet, along the Easterly line of Lot 1 to the point of beginning; Thence Westwardly along the arc of a curve which is concave to the South, the Radius of which is 573.14 feet to a point on the Easterly line of Lot 3 which is South 25°08' East 3.40 feet from the Northeasterly corner of Lot 3; Thence North 25°08' West 3.40 feet, along the Easterly line of Lot 3 to the Northeasterly corner of Lot 3; Thence South 64°52' West 57.00 feet, more or less, along the Northerly line of Lot 3; Thence Eastwardly along the arc of a curve which is concave to the South, the radius of which is 555.14 feet, said curve being parallel with and 18.00 feet radially distant from the curve described in No. 3 hereinbefore to a point on the Easterly line of Lot 1, which is North 25°08' West 10.00 feet, more or less, from the Southeasterly corner of Lot 1; Thence North 25°08' West 26.00 feet, more or less, along the Easterly line of Lot 1, to the point of beginning; situated in the City of Moline, Rock Island County, Illinois.

Parcel IV: Lots 2, 5 and 6 and partial Lots 1, 7 and 8 and the East 16 feet of Lot 3 of Block 21 of Original Town of Moline. Also, partial Lots 1, 2 and 3 of Block 4 of Woods 2nd Addition. Also, a vacated alley adjacent to Lot 2, and partial Lots 1, 7 and 8 of said Block 21, and partial Lots 1, 2 and 3 of said Block 4, excepting that part of Lot 1 of said Block 21 given for public right-of-way purposes as recorded in the Rock Island County Recorder's Office of Document Number 705931.

Also excepting the South 30 feet of the above described tract.

The above property is also known and described as follows: Beginning at the Northwest corner of Lot 5, Block 21 of the Original Town of Moline, Illinois; thence North 59°10'00" East, on an assumed bearing, along the North side of Lots 5 and 6 in said Block 21, a distance of 144.52 feet; thence North 31°04'00" West, 169.83 feet to the South line of 3rd Avenue; thence North 59°10'00" East, along the South line of 3rd Avenue, 111.35 feet; thence South 30°50'00" East, 1.87 feet; thence along a curve concave to the South with a radius of 106 feet, the chord subtending said arc bears North 82°31'45" East, 55.05 feet; thence along a curve concave to the Southwest with a radius of 39.96 feet, the chord subtending said arc bears South 56°21'21" East, 34.40 feet to the West line of 19th Street; thence South 31°04'00" East, along said West line, 235.13 feet to the North line of the South 30 feet of Lots 1 and 2 of Block 4 of Woods 2nd Addition to the City of Moline, Illinois; thence South 59°10'00" West, along said North line of the South 30 feet and along the North line of the South 30 feet of Lots 5, 6, and 7 of Block 21 of the Original Town of Moline, Illinois, 321.04 feet to the East line of 18th Street; thence North 31°05'29" West 120.00 feet to the place of beginning.

ALSO: That part of a vacated alley adjacent to the above described property as shown in Vacation Ordinance filed October 2, 1989 in Record Book 1310 at Page 12 as Document No. 89-15873.

ALSO: That part of a vacated street adjacent to the above described property as shown in Vacation Ordinance filed August 6, 1990 in Record Book 1354 at Page 193 as Document No. 90-13293.

ALSO: The South 30.0 feet of Lots 5 and 6 and Fractional Lot 7 in Block 21 in the Original Town of Moline; and the South 30.0 feet of Fractional Lots 1 and 2 in Block 4 in Wood's Second Addition to the Town of Moline, situated in the City of Moline, Rock Island County, Illinois.

Parcel VI: Lot 1 in Block 20 in that part of the City of Moline known as and called the "Old" or "Original" Town.

Also, Lot 2 in Block 20 in that part of the City of Moline known as and called the "Old" or "Original" Town, situated in the City of Moline.

Also, All that part of Lots 6, 7 and 8 in Blk 20 in that part of the City of Moline known as the "Old Town", which lies North of a line drawn parallel with and 30 ft. distant North from the South line of said Lots 6, 7 and 8 situated in the City of Moline,

Also, That part of a vacated street adjacent to the above described property as shown in Vacation Ordinance filed August 6, 1990 in Record Book 1354 at Page 193 as Document No. 90-13293.

EXCEPTING THEREFROM: The Westerly 30 feet of Lot 6, Block 20, Old (or Original Town) Moline which lies North of a line drawn parallel with and 30 feet distance north from the South line of said Lots 6, 7, 8, situated in the City of Moline, situated in the County of Rock Island, in the State of Illinois.

## AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

Purchaser:  
City of Moline

Seller:  
Fifth Avenue Block LLC, an Illinois limited liability company

### 1. **THIS AGREEMENT IS DATED:** September 1, 2016.

Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser the real estate and any improvement thereon, commonly known as: 1630 5<sup>th</sup> Avenue, Moline, Illinois, and legally known as: Lot 1 and the East 30' of Lot 2, McEnary's Addition situated in the City of Moline, County of Rock Island and the State of Illinois, for the sum of \$1,800,000.00 to be paid as follows:

The full purchase price shall be paid at closing.

### 2. **POSSESSION AND CLOSING**

Possession On Closing:

(A) Seller shall deliver possession of the subject property to Purchaser concurrently with the closing of this transaction which shall be held on or before September 30, 2016.

(B) Per diem rent in the amount of \$ 0 shall be paid by Seller to Purchaser for each day the delivery of possession is beyond the date of closing, but under no circumstances shall the Seller be able to remain in possession more than 0 days after closing.

Additional Provisions:

(A) Possession shall be deemed delivered when Seller has vacated the subject property and delivered the keys to Purchaser or Purchaser's agent.

(B) Necessary timely legal notices to tenants, if any, to be given by Seller unless otherwise agreed to by the parties.

(C) If Seller shall fail for any reason whatsoever to vacate the subject property after the above specified number of days, 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 subject property with Seller hereby agreeing to reimburse Purchaser for all reasonable attorney fees and expenses incurred by the Purchaser in the enforcement of Purchaser's rights under this Agreement.

### 3. **EVIDENCE OF TITLE**

At least two weeks prior to the closing date, Seller shall deliver (A.) \_\_\_ an abstract of title or (B.) X a Commitment for Title Insurance issued by a title insurance company regularly doing business in the County where the subject property is located committing the company to issue an owner's policy in the usual form insuring merchantable title to the property. 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, Purchaser shall be entitled to a refund of the Earnest Money. Furnishing a title insurance commitment insuring over an exception shall constitute a cure of such exception.

#### **4. CONVEYANCE OF TITLE AND DOCUMENTS OF SALE**

Form of Deed. The Seller shall convey title to the Property by Warranty Deed ("Deed") along with such other documents as may be required to record the deed, transfer personal property, if any, and protect Purchaser from mechanics' liens. Seller represents that Seller knows of no conditions, faults or defects, whether environmental or otherwise. At closing, and upon delivery of the Deed to Buyer, whatever occupancy rights Seller has in and to the property will become Buyer's rights.

#### **5. PRORATIONS AND ADJUSTMENTS**

The following items shall be prorated at closing:

##### **A. Prorations:**

- (1) Real estate taxes, based on the most recent year's tax bill available, which, in the absence of fraud, shall be final;
- (2) Rent, if any, (with transfer in full of any funds and books/records of security/damage deposit, CAM account, and any other monies held as Landlord or property owner);
- (3) Interest on any assumed indebtedness;
- (4) Insurance premiums if policy assigned to Purchaser; and
- (5) Other income and operation expenses, if any.

##### **B. Adjustments:**

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

#### **6. ASSESSMENTS**

Seller shall pay all special assessments, which are a lien on the subject property as of the date of closing. 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 subject property. Tap on fees, if any, which exist for municipal services to the subject property, shall be paid by the purchaser.

## **7. FIXTURES AND PERSONAL PROPERTY**

All fixtures presently installed on the subject property including but not limited to; brackets and fixtures, all carpeting, electric light fixtures, bathroom fixtures and accessories, telephone lines, central heating and cooling units and attached equipment, all shrubs and trees, shall be left by Seller in or upon said subject property exactly as they are as of the date of this Agreement, and shall be deemed a part of the subject property and title thereto shall pass to Purchaser at closing. The following personal property shall be sold to Purchaser as part of the consideration for the purchase price: all of Seller's personal property pertaining to the subject building and grounds located upon the premises at this time.

## **8. CONDITION OF SUBJECT PROPERTY**

The parties agree that the purchase price reflects the condition of the subject property and Purchaser acknowledges that the real estate and the improvements thereof have been inspected, and Purchaser is acquainted with the condition thereof and accepts the same in (CHECK ONE OF THE FOLLOWING):

(A.) "As-Is"

(B.) "As-Is" condition except Seller warrants the plumbing, heating and electrical systems to be in normal working condition on date of possession. Written notice of breach of the warranty contained above must be served upon Seller, Seller's attorney, or Seller's agent within two (2) business days of the date of possession. Purchaser shall have the right to inspect the subject property during the 48-hour period immediately prior to closing.

## **9. DEFAULT**

If Purchaser fails to make any payment or to perform any obligation imposed upon Purchaser 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. In the event Seller fails to perform any obligation imposed upon Seller 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, expenses incurred by reason of default, and the real estate brokerage fee.

## **10. CASUALTY CLAUSE**

Seller shall bear the risk of loss or damage to the subject property prior to closing or possession, whichever first occurs. In the event all or a material part of the subject property is damaged or destroyed prior to closing or possession, whichever first occurs, this Agreement shall terminate and be of no further force and effect, unless the subject property can be restored to its present

condition on or before the closing date. Seller shall keep adequate insurance, including fire and other extended coverage, on improvements on the subject property 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 the subject property.

## **11. EXPENSES OF TRANSFER**

A. Seller shall pay:

- (1) Broker's Commission;
- (2) Cost of owner's title policy; and
- (3) Revenue stamps and recording of any releases.

B. Purchaser shall pay:

- (1) Recording fee for deed and mortgage; and
- (2) Cost of Purchaser's mortgage title insurance policy as required by mortgagee.

Each party shall be responsible for their own attorney fees and customary closing costs. Closing costs do not ordinarily include charges incident to the Purchaser's financing, and Purchaser shall pay such charges.

## **12. 1031 EXCHANGE**

Both Purchaser and/or Seller agree that it shall be an accommodation party, if requested by Seller and/or Purchaser, in a "1031 Starker Exchange," provided that Purchaser and/or Seller shall incur no additional cost with regard to said accommodation, shall not be required to take title to any property other than the subject property and said accommodation does not delay the closing of the transaction for the subject property.

## **13. ESCROW**

This Agreement will be closed through an escrow either with the (A.) X Purchaser's attorney, (B.) \_\_\_\_\_ mortgage lender. The funds held in escrow shall be paid out upon recording of the necessary documents and the vesting of merchantable title in the Purchaser.

## **14. REPRESENTATIONS OF SELLER**

Seller hereby represents to Purchaser that, to the best of Seller's knowledge, the subject property is not contaminated with, nor threatened with contamination from outside sources by any chemical, material or substance to which exposure is prohibited, limited or regulated by any federal, state, county, local or regional authority or which is known to pose a hazard to health and safety and that Seller has not used the subject property as a landfill or dumpsite, or for storage of hazardous substances, or has not otherwise done anything to contaminate the subject property with hazardous wastes or substances. Seller warrants that the subject property is not subject to any local, state or Federal judicial or administrative action, investigation or order, as the case may be, regarding wells or underground storage tanks, solid waste disposal sites, or hazardous wastes or substances. In the event Purchaser notifies Seller before closing that the representations and warranties set

forth herein are untrue and such notice is accompanied by a report from an engineering company or environmental consultant with experience in evaluating such matter, then Purchaser, at its option, may terminate this Agreement, and the Earnest Money paid herein shall be returned to Purchaser.

## **15. LEASES**

As of the date of this Agreement, the subject property is subject to the following leases:

See Exhibit A attached hereto and incorporated herein by reference.

Prior to closing, Seller shall not enter into any new leases or agree to extend any existing leases without Purchaser's prior written consent and shall provide estoppel letters.

## **16. SELLER'S CONSENT TO ASSIGNMENT**

This Agreement shall be freely assignable by Purchaser to any other person or entity without Seller's prior written consent.

## **17. NOTICES**

All notices required hereunder shall be in writing and shall be served upon the parties at the addresses designated herein by personal service, certified mail (return receipt requested), or Federal Express or other overnight mail.

Seller:  
Fifth Avenue Block LLC  
c/o Rodney A. Blackwell  
Financial District Properties  
201 N. Harrison St., Suite 402  
Davenport, IA 52801

Purchaser:  
City of Moline  
c/o Maureen E. Riggs, City Attorney  
619 16<sup>th</sup> Street  
Moline, IL 61265

## **18. GENERAL CONDITIONS**

This Agreement shall be binding upon the parties and their successors and assigns. Time is of the essence of this Agreement. This Agreement shall be governed by and enforced in accordance with the laws of the state in which the subject property is located. This Agreement contains the entire agreement of the parties and no representations, warranties, or agreements have been made by either party except as set forth herein. No modification, waiver, or amendment of the Agreement shall be effective unless made in writing and signed by the parties. All representations, warranties and covenants made by the parties shall survive closing. Paragraph headings are for the convenience of reference and shall not limit or affect the meaning of the Agreement.

## **19. BROKER REPRESENTATIONS**

It is understood that no representation made by the Broker or Salesperson in the negotiation of this Agreement are being relied upon unless incorporated herein in writing. Broker and Salesperson make no representations or warranties, either expressed or implied, as to the physical or mechanical condition of the subject property.

## **20. BROKERS AS AGENTS**

Parties acknowledge that agency disclosures have been made and signed prior to signing of this Purchase Agreement. The Broker, the Broker's agents, employees, and associates must respond to all questions of the parties accurately and honestly and must disclose all material defects about which they have knowledge, but are not required to discover hidden defects in the subject property or give advice on matters outside the scope of their real estate licenses.

## **21. AGENCY**

Seller and Purchaser acknowledge that no agents or brokers are involved in this transaction.

## **22. DUE DILIGENCE**

(A) From the date of execution of this agreement by Seller until September 20, 2016, (the "Due-Diligence Period"), Purchaser and its agents and representatives shall be entitled to conduct an inspection as to the Property, which will include, but shall not be limited to, the rights to (1) enter on the Property to perform inspections and tests, including, but not limited to, inspection, evaluation, and testing of the heating, ventilation, and air-conditioning systems and all components thereof, the roof of the Building, the parking lots, all structural and mechanical systems within the Building, including, but not limited to, sprinkler systems, power lines and panels, air lines and compressors, automatic doors, tanks, pumps and plumbing, and all equipment and Personal Property; (2) make investigations with regard to zoning, environmental, building code, and other legal requirements, including, but not limited to, an environmental assessment; (3) make or obtain market studies and real estate analyses; (4) analyze the financial feasibility of ownership of the Property; and (5) arrange for termination of existing leases and relocation of any long term lessees. If Purchaser, in its sole and absolute discretion, determines that the results of any inspection, test, or examination, or attempts at termination and relocation of existing leases do not meet Purchaser's (or its assignees', underwriters', investment bankers', board of directors', lenders', or investors') criteria for purchase, financing, or operating of the Property in the manner contemplated by Purchaser, or if the information disclosed does not otherwise meet Purchaser's investment criteria or underwriting for any reason whatsoever, or if Purchaser, in its sole discretion, otherwise determines that the Property is unsatisfactory to it, then Purchaser may terminate this Agreement by written notice to Seller, given not later than the last day of the Due-Diligence Period. Upon such termination, the Earnest Money, together with all interest accrued thereon, shall be returned immediately to Purchaser, and except as otherwise provided in this section, neither party shall have any further liability to the other hereunder. In the event Purchaser fails to notify Seller of its intent to terminate this Agreement prior to the expiration of the Due-

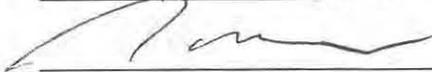
Diligence Period, Purchaser's right to terminate this Agreement shall be waived and become null and void.

**23. ACCEPTANCE BY PURCHASER**

Until accepted by the Purchaser, this document constitutes an irrevocable offer to sell by the Seller on the terms stated above. Seller acknowledges and agrees that this Agreement is subject to Purchaser's right and legal responsibility to formally submit this Agreement to the City Council for review, approval and authorization to execute. If not so approved by the Council by September 27, 2016, this offer and Agreement shall be void. The parties understand that the City Council may not approve this Agreement and that until approved by the City Council, it is not and shall not be binding upon the City, its officers, employees or agents.

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

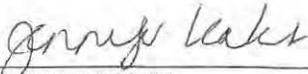
IN WITNESS WHEREOF, Fifth Avenue Block, LLC, an Illinois limited liability company,, Seller, has caused this Agreement for Sale of Real Estate to be executed this 1<sup>st</sup> day of Sept, 2016.

  
\_\_\_\_\_

STATE OF IOWA            )  
  )        SS:  
COUNTY OF SCOTT        )

On this 1<sup>st</sup> day of Sept, 2016, before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Rodney A. Blackwell, to me personally known, who being by me duly sworn (of affirmed), did say that he is Managing Principal and sole owner of Fifth Avenue Block LLC, an Illinois limited liability company and that said instrument was signed on behalf of said company. Rodney A. Blackwell acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.



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

IN WITNESS WHEREOF, the **CITY OF MOLINE**, Buyer, has caused this Agreement for Sale of Real Estate to be duly executed in its name and on behalf by Scott Raes, its Mayor, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF MOLINE (Buyer)

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

Attest:

\_\_\_\_\_  
Tracy A. Koranda, City Clerk

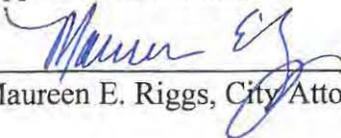
STATE OF ILLINOIS                    )  
  )        SS:  
COUNTY OF ROCK ISLAND        )

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **SCOTT RAES** and **TRACY A. KORANDA**, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Moline, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

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

Approved as to Form:

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

**ASSIGNMENT OF PURCHASE AGREEMENT**

Dated September \_\_\_, 2016

FOR VALUE RECEIVED, the City of Moline, Illinois, an Illinois municipal corporation, hereby sells, assigns, transfers, and sets over unto HOA Hotels LLC, an Iowa limited liability company authorized to do business in the State of Illinois, all rights, powers, privileges, and interest in and to a certain Purchase Agreement dated the 1st day of September, 2016, between Fifth Avenue Block LLC as Seller, and City of Moline as Purchaser, for property with the following legal description:

Lot 1 and the East 30' of Lot 2, McEnary's Addition situated in the City of Moline, County of Rock Island and the State of Illinois;

And commonly known as 1630 5<sup>th</sup> Avenue, Moline, Illinois.

This Assignment is effective as long as the City Council of Moline approves the Development Agreement between the City of Moline and HOA Hotels LLC, and said Development Agreement is executed by the Mayor and City Clerk. If not approved or executed, this Assignment becomes null and void.

**THE CITY OF MOLINE, ILLINOIS**

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

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

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

Tracy A. Koranda, City Clerk

*Approved as to form Maurer & Jo*

HOA Hotels LLC, an Iowa limited liability company hereby accepts the above assignment of that Purchase Agreement of September 1, 2016. HOA Hotels LLC assumes all rights, promises, covenants, conditions and obligations to be performed by the City of Moline under the Purchase Agreement and agrees to be bound by all of the obligations of the City of Moline under the Purchase Agreement and to indemnify and hold harmless the City of Moline against any liability arising from the performance or nonperformance of such obligations.

**HOA HOTELS LLC**

DATED: 9-7-16

*[Signature]*  
\_\_\_\_\_  
Michael L. Whalen, Manager

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

On this \_\_\_\_\_ day of September, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **SCOTT RAES** and **TRACY A. KORANDA** to me personally known, who, being by me duly sworn, did say that they are the **Mayor** and **City Clerk**, respectively, of the **City of Moline**, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

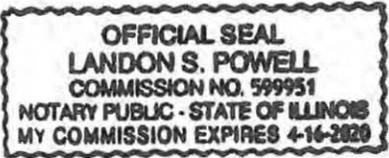
(seal)

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

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

On this 7th day of September, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared **Michael L. Whalen**, to me personally known, who being by me duly sworn (or affirmed) did say that he is a **Manager** of **HOA Hotels LLC**, an Iowa limited liability company authorized to do business in Illinois, and that said instrument was signed on behalf of the company by said **Michael L. Whalen** as **Manager** of said company. **Michael L. Whalen** acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company, by it and by him voluntarily executed.

*Landon S. Powell*  
\_\_\_\_\_  
NOTARY PUBLIC



**DEVELOPMENT AGREEMENT**  
**between the**  
**CITY OF MOLINE, ILLINOIS**  
**and**  
**HOA HOTELS LLC**  
**for the**  
**FIFTH AVENUE BUILDING/SEARS ROEBUCK BUILDING**

THIS AGREEMENT (“Agreement”) made and entered into on this \_\_\_\_ day of September, 2016, by and between the City of Moline, an Illinois Municipal Corporation (“City”), and HOA Hotels LLC, an Iowa limited liability company authorized to do business in Illinois (“Developer”), collectively (“the Parties”).

RECITALS:

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

WHEREAS, the City of Moline, Illinois, Approved the Tax Increment Financing Redevelopment Plan & Project Area; Designated the Redevelopment Area and Adopted the Use of TIF for the Project Area # 13 which identified the subject properties as vacant and showing signs of deterioration; and

WHEREAS, the City is an Illinois municipal corporation possessing home rule powers under Section 6 of Article VII of the Illinois Constitution; and

WHEREAS, the City has the authority to prevent the spread of blight and encourage private development to enhance the local tax base and to enter into contractual agreements for the purpose of achieving these purposes; and

WHEREAS, the City Council has designated the redevelopment of the 5<sup>th</sup> Avenue Building as a Council Priority; and

WHEREAS, City wishes to enter into this Development Agreement with the Developer in order to facilitate the redevelopment of the Property (as defined below) located at 1620 and 1630 5<sup>th</sup> Avenue; and

WHEREAS, the Property is located within the Moline Downtown Commercial Historic District that was placed on the National Register of Historic Places on August 30, 2007, in order to help facilitate the historic renovations of properties within the District by making the property eligible to apply for a 20% Tax Credit; and

WHEREAS, Developer will use private funds to re-develop the buildings into an approximate 105 room (+/-) nationally branded hotel or an independent boutique brand hotel with amenities such as food & beverage/bar operations, meeting/conference/banquet space, fitness facility, room service, dry cleaning and similar services (“the Project”); and

WHEREAS, the Developer and members of Moline Promenade Investors, LLC have met with City Staff to discuss the Project and Staff has received positive feedback on the project and authorization from Moline Promenade Investors, LLC to negotiate and execute this Agreement with the Developer for a hotel in the downtown that conforms with the terms of the previously approved Development Agreement with Moline Promenade Investors.

NOW, THEREFORE, in consideration of the foregoing recitals, which are meant to be substantive and binding and not superfluous, 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:

## **I. INCORPORATION OF RECITALS**

The representations and recitations set forth in the foregoing Preambles are material to this Agreement and hereby incorporated into and made a part of this Agreement as though fully set forth in this Section and representation and recitations constitute the understandings of the City and the Developer.

## **II. GENERAL TERMS**

Developer, after receipt of the promises and inducements contained herein, agrees to redevelop the existing buildings located at 1620 and 1630 5<sup>th</sup> Avenue, Moline, IL, legally described in Exhibit “A” which is attached hereto and incorporated herein by reference and referred to as the “Property.”

The parties hereto acknowledge, and Developer represents and warrants, that it requires economic assistance from the City in order to commence and complete the Project, and that, but for said economic assistance, the Project as contemplated would not be economically viable.

For purposes of this Agreement, the use of the terms "Property Tax Increment" and "TIF Increment" shall be construed to refer to that net portion of taxes imposed by Rock Island County for distribution to the City's TIF #13 Redevelopment fund pursuant to the Tax Increment Allocation Redevelopment Act, *65 ILCS 11-74.4-1, et seq.* (“the Act”) that is generated by the Project. In addition, Section 6 of Article VII of the Illinois Constitution authorizes contractual agreements with private parties for the purposes of enhancing the local tax base.

The use of the term “Hotel-Motel Use Tax” shall be construed to refer to the tax imposed by the City on hotel-motel rooms.

Also, the use of the term "Sales Tax" shall be construed to refer to that net portion of taxes imposed by the State of Illinois for distribution to the City pursuant to the Retailer's Occupation Tax Act and the Service Occupation Tax Act (as said Acts may be amended from time to time) and which are collected by the State and distributed to the City, and all revenue derived from such taxes.

It is expressly understood that if a governmental or legislative body other than the City enacts any law or statute that results or that may result in any material changes or amendments to the foregoing property tax, hotel-motel use tax or sales tax provisions, which changes or amendments prohibit the City from complying with this Agreement or which materially adversely affect the City's ability to comply herewith, then the City and Developer shall re-evaluate this Agreement and the incentives provided hereunder and shall mutually use all reasonable efforts to restructure the Agreement in a manner which provides substantially the same economic benefits to Developer. The use of the term "Property Tax" or "Sales Tax" shall not be construed to mean any additional taxes imposed by the City as a home rule municipality.

For purposes of this Agreement, the incentives and inducements set forth herein shall apply only to Developer and the Development Project.

The Combined Maximum Incentive from the City of Moline shall be the total sum of the Property Tax Increment rebates, Hotel-Motel Use Tax rebates and Sales Tax rebates to be paid to Developer, which shall be Four Million Six Hundred Thousand and 00/100 Dollars (\$4,600,000.00) on a Net Present Value basis ("Combined Maximum Incentive"). In addition, other forms of incentives shall be included as incentives for the Project and shall count toward the Combined Maximum Incentive, such as Enterprise Zone sales tax savings, Façade Loan Funds, if awarded, and City improvements made to the Midtown Parking Ramp for the benefit of the Project. For the specific incentive of the Enterprise Zone, if Developer is able to utilize this benefit for the entire Project, then the parties agree to a fixed incentive value of Three Hundred Fifty Thousand and 00/100 Dollars (\$350,000.00).

### **III. SALE AND PURCHASE OF PROPERTY.**

- A. Developer has previously purchased the Sears Roebuck Building at 1620 5<sup>th</sup> Avenue. This purchase and remediation and repairs completed to the building shall be counted toward the total project cost.
- B. City has a signed purchase agreement ("Purchase Agreement") with Fifth Avenue Block LLC, an Illinois limited liability company, which contains a clause that allows the City to assign the Purchase Agreement to any other entity. Developer has agreed to take the Assignment and close on the Property under the terms of the Purchase Agreement. The executed Purchase Agreement is attached as Exhibit "B."

### **IV. CITY'S AGREEMENT TO PROVIDE ASSISTANCE.**

The following sets forth certain intentions, undertakings and contractual obligations and responsibilities of the City to Developer under this Agreement, subject to certain responsibilities of Developer as set forth in this Agreement (including, but not limited to, substantial compliance with the development timetable as extended by Unavoidable Delays set forth on Exhibit "C" attached hereto):

- A. Total Incentives. The City Agrees to provide incentives from several funding sources including Property Tax Increment generated in the TIF #13 Redevelopment Fund, Hotel-Motel Use Tax Funds generated from the proposed hotel, and Sales Tax Funds generated from the food & beverage/bar operations and other retail goods/services at the Project. The Combined Maximum Incentive to be paid to the Developer from these sources shall be Four Million Six Hundred Thousand Dollars (\$4,600,000) on a Net Present Value basis, which is estimated to be approximately Seven Million Dollars (\$7,000,000) to be paid out over time, but which may be more or less depending on how much tax revenue is actually generated and how quickly it is generated.

In addition, other forms of incentives shall be included as incentives for the Project and shall count toward the Combined Maximum Incentive, such as benefits received by the Developer from the existing Enterprise Zone, Façade Loan Funds, if awarded, and City improvements made to the Midtown Parking Ramp for the benefit of the Project.

- B. Complete the Creation of a new TIF District. The Property is located within the recently established and valid Tax Increment Financing Redevelopment Project Area, as defined under the Act, which is set to expire in 2039 and is known as TIF #13.
- C. TIF Payment. Subject to Developer paying the annual real estate taxes for the Property when due and payable, the City shall pay through its TIF Fund to Developer, 90% of the Property Tax Increment generated from the Project until the Combined Maximum Incentive is reached.

The net incremental annual real estate taxes shall be used by the Developer only for eligible redevelopment costs under the Act (65 ILCS 5/11-74.4-3) including the purchase of the Sears and Roebuck Building and the 5<sup>th</sup> Avenue Buildings, which are eligible redevelopment costs, as well as other eligible redevelopment costs as listed in Exhibit "D."

The base year for computation purposes of the net annual Property Tax Increment is agreed to be 2016, and the base Equalized Assessed Valuation (EAV) for the base year 2016 is \$557,528. The property tax rebate period will start with the first year that the Project is assessed, which is estimated to be assessment year 2018 and payment year 2019. An illustrative example of the payments called for under this paragraph is shown in Exhibit "E" attached hereto and incorporated by reference

herein. The payment shall be from the Property Tax Increment generated solely by the Project and paid to the City's TIF # 13 Account. The City shall remit the property tax rebate to the Developer within thirty (30) days after receipt of total annual payment into said City's TIF Account from Rock Island County.

The Parties agree that the figures shown in Exhibit "E" are for illustrative purposes, and the actual annual payments to be made in any given year may be more or less than the amount shown.

- D. Hotel-Motel Use Tax Rebate. In addition to the Property Tax Increment rebate, City agrees to rebate to Developer a portion of the Hotel-Motel Use Tax revenues generated annually from the Project and paid to the City, until the Combined Maximum Incentive is reached. The City's current Hotel-Motel Use tax rate is 7%. The City remits 17.857% of all Hotel-Motel Use Tax revenues to the Quad Cities Visitors and Convention Bureau ("QCCVB"). City agrees to rebate to Developer 50% of the remaining Hotel-Motel Use Tax revenues from the Project after the first 17.857% of the Hotel-Motel Use tax revenues are subtracted from the total revenues for the Hotel and set aside for the QCCVB. The City shall remit the hotel-motel tax rebate to the Developer semi-annually within thirty (30) days after receipt of six months of payments by the City.
- E. Sales Tax Rebate. In addition to the Property Tax Increment rebate and Hotel-Motel Use Tax rebate, the City shall provide a Sales Tax rebate. It is understood that the Sales Tax rebate portion of the incentive payments will be due and payable to Developer solely from the proceeds of sales tax revenue received by the City as a result of retail sales from the Project.

It is acknowledged and understood by and between the parties hereto that the City receives sales tax revenue monthly, and that the taxes generated by sales in any one month are distributed to the City approximately three months later (e.g. taxes generated by sales in July are generally not received by the City until October).

The City of Moline agrees to provide Developer with a Sales Tax rebate on the City's receipt of sales tax revenues within the Project. The Developer shall be entitled to 100% of the Sales Tax revenue from the Municipal 1% Sales Tax generated from retail sales generated from the Project, until the Combined Maximum Incentive is reached. The City shall remit the sales tax rebate to Developer within thirty (30) days after receipt of the sales tax report and the sales tax funds from the State, which is sent three times per year.

The Sales Tax rebate shall be calculated on the Municipal 1% sales tax only, not the City's 1% Home Rule Sales Tax, nor the City's 1.25% prepared food and packaged liquor tax.

- F. Grants and Loan Applications. The City agrees to use its best efforts to support the Developer in applying to city, state and federal grant or loan programs that will

enhance the Redevelopment Project. This includes the City of Moline Façade Improvement Program that currently provides for forgivable loans up to \$15,000/building for façade improvements and repair.

- G. 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 Project by which means materials can be purchased for the construction of the 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.
- H. Parking. City hereby grants to Developer the right to lease 105 parking spaces in the Midtown Parking Ramp (“Midtown”) that is attached to the second floor of the 5<sup>th</sup> Avenue Building. Due to existing leases in the parking ramp, the City makes no guarantee that the spaces will initially be available on a certain floor or that the spaces will be covered as the 4<sup>th</sup> floor of the Midtown is currently uncovered. Notwithstanding the foregoing sentence, both parties recognize that Project parking in the Midtown would best occur on floors and locations best able to utilize the Midtown Skywalk, and will work together as existing leases terminate or as stalls become relocatable to maximize the Project guest experience without unreasonably impairing the City’s ability to lease non-Project stalls. The parking ramp is owned by the City, will be improved using City funds to provide for an electronic security gate system tied into the hotel’s room card system, and for informational and directional signage and lighting, all of which (excepting the hotel room card system interface) will be maintained by the City in good condition. Rent for spaces on the second and third floors shall be at \$35 per space per month for the first five (5) years from the date the Certificate of Occupancy is issued for the Hotel; \$40 per space per month for years 6 – 10; \$45 per space per month for years 11 – 15; \$50 per space per month for years 16 – 20; \$55 per space per month for years 21-25 (at the Developer’s option, which must be given sixty (60) days in advance); and \$60 per space per month for years 26-30 (at the Developer’s option, which must be given sixty (60) days in advance); and at then applicable market rates thereafter. Rent for spaces on the 4<sup>th</sup> Floor (if needed) shall be at the City’s standard rate at the time of leasing, which is currently \$10 per month.
- I. Interest. The Net Present Value of the Combined Maximum Incentive shall be calculated using a 6% Net Present Value factor. Incentives that are provided by the City prior to Project opening, such as Façade Funds, Enterprise Zone Benefits, and Parking Ramp Improvements, are not subject to the NPV Calculation.
- J. 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.

- K. Prevailing Wage. The City makes no representations or warranties as to whether or not the Illinois Prevailing Wage Act applies to the 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.
- L. Maintenance of Skywalk Connection: There is currently a skywalk connection from the Fifth Avenue Building to the 2<sup>nd</sup> floor of the City's Midtown Parking Ramp ("Midtown Skywalk") that is maintained by the current owner. The Developer agrees to continue the maintenance of the Midtown Skywalk for as long as the Developer remains the owner of the Property and will continue to allow access from the Project to the Midtown Skywalk for guests of the Project. Developer and City agree to execute an access easement to the Midtown Skywalk that will be recorded and will run with the land.
- M. Due Diligence: As part of the Purchase agreement of the 5<sup>th</sup> Avenue Building, the City of Moline has obtained and funded several reports related to environmental and structural analysis of the building that have been provided to the Developer. In addition, City Fire and Building Officials have toured the building with the Developer. The City makes no warranties or representations on the materials provided by outside sources and comments made by City Officials during tours of the building. The Developer shall hold the City harmless on information provided in the reports and rely on its own Due Diligence.

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

Upon the execution of this Agreement, the Developer shall complete the Project substantially in accordance with the plans and specifications for the Project, which plans and specifications must be approved by City prior to commencement of the Project (such approval may not unreasonably be withheld), as may be normal, customary or required in order to proceed with the Project, in accordance with all applicable rules, codes, regulations, ordinances and laws, including without limitation, the City's PMT/DBMT process and any other federal or state requirements that may apply to the Project. Further, Developer confirms that development, use of and construction on the Property, shall at all times comply with and be in accordance with this Agreement, Zoning Code, Subdivision Code and any special use granted in connection therewith, the Final Development Plan, the Landscape Plan, Elevations Plan, and all other requirements of law, it being understood that in the event of a conflict between or among any of the above plans or documents, the plan or document that provides the greatest control and protection for the City, as determined by the City Administrator, shall control. All of the above plans and documents shall be interpreted so that the duties and requirements imposed by any one of them are cumulative among all of them, unless otherwise provided in this Agreement.

- A. Project Elements. Developer agrees to complete the following Project Elements:
- i. Developer shall take the assignment from the previously signed Purchase Agreement for the Fifth Avenue Building and fulfill all responsibilities as the buyer.
  - ii. Developer will work diligently to relocate the existing tenants in the buildings with a preference to downtown Moline locations.
  - iii. Developer has indicated that it may be seeking Historic Tax Credits for the Project.
  - iv. Developer will rehabilitate the buildings into an approximate 105-room hotel, with food & beverage/bar operations, meeting/conference/banquet space, a fitness facility, and other amenities to enhance the level of service of the hotel. Exhibit "G" provides schematics of the exterior of the Project.
  - v. Developer will use good faith efforts to attempt to obtain 4 Star status for the hotel.
  - vi. Developer will lease 105 parking spaces in the Midtown Parking Ramp that is attached to the second floor of the 5<sup>th</sup> Avenue Building. Rent for spaces on the second and third floors shall be at \$35 per space per month for the first five (5) years from the date the Certificate of Occupancy is issued for the Hotel; \$40 per space per month for years 6 – 10; \$45 per space per month for years 11 – 15; \$50 per space per month for years 16 – 20; \$55 per space per month for years 21-25 (at Developer's option, which must be given sixty (60) days in advance); and \$60 per space per month for years 26-30 (at Developer's option, which must be given sixty (60) days in advance); and at then applicable market rates thereafter. Rent for spaces on the 4<sup>th</sup> Floor shall be at the City's standard rate at the time of leasing, which is currently \$10 per month.
- B. Code Compliance: Developer agrees to comply with all applicable building codes that are in effect as of the date of execution of this Agreement. Developer certifies that the Project, as designed, is and shall be in full compliance with all applicable state and local laws and ordinance.
- C. Developer to Comply with Hotel Restrictions. The City previously entered into a Development Agreement with Moline Promenade Investors, LLC that placed a restriction on incentives to other hotels in Moline. The City, together with Moline Promenade Investors, LLC and HOA Hotels LLC, have met and discussed the Fifth Avenue Buildings/Sears Roebuck Building Project. Exhibit "F", attached hereto is written confirmation of the meeting which took place on Monday, August 8, 2016 and further indicates that the City and HOA Hotels LLC have permission to enter into this Development Agreement with the understanding that the Project shall

generally conform to the description outlined in the letter and that the proposed hotel will not open until 12 months after the Element Hotel opens or May 31, 2018, whichever occurs first.

#### **VI. 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 TIF 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 City. The City further represents to Developer that it has fully complied with and satisfied the requirements of the TIF Act pertaining to the establishment of the TIF District referenced herein and in entering into this Agreement. In addition, Section 6 of Article VII of the Illinois Constitution authorizes the City as a Home Rule Community to prevent the spread of blight and encourage private development to enhance the local tax base by executing other financial incentive agreements. 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 City pursuant to its legal power and authority to do so. When executed and delivered by the City to Developer, all such agreements shall constitute a legal, valid, and binding obligation of City, enforceable in accordance with the terms of all such agreements.

#### **VII. WARRANTIES OF THE DEVELOPER.**

- A. Developer represents and warrants to City that Developer is an Iowa Limited Liability Company duly organized and existing under the laws of the State of Iowa and authorized to do business in the State of Illinois and that all proceedings of 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. Developer represents and warrants to City that this Agreement has been duly authorized, executed, and delivered by Developer, and will be enforceable against 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. Developer represents and warrants to City that the execution and delivery of this Agreement, and the consummation of the transactions contemplated in this Agreement will not violate any provision of its operating agreement or any other contract, agreement, court order or decree to which Developer may be a party or to which Developer may be subject, or any applicable federal or state law or municipal ordinance.

#### **VIII. INDEMNIFICATION.**

- A. 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) actually incurred by the City 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 Development 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.
- B. In the event that any court or governmental agency having jurisdiction over enforcement of the Act and the subject matter contemplated by this Development Agreement shall determine that this Development Agreement, or payments to be made hereunder, are contrary to law, or in the event that the legitimacy of the TIF Ordinances are otherwise challenged before a court or governmental agency having jurisdiction thereof and such challenge would affect the payments to be made under this Development Agreement, the City shall at its sole cost defend the integrity of the TIF Ordinances and this Development Agreement unless such challenge is as a direct result of the acts or omissions of the Developer. The Developer shall fully cooperate with the City in connection with the foregoing. In the event of an adverse lower court or agency ruling, payments shall be suspended during the pendency of any appeal thereof, but such payments shall be reinstated retroactively if such adverse ruling is reversed by the reviewing court or agency. The City shall not seek to set aside, or otherwise challenge, its obligations under this Development Agreement during the pendency of any appeal.

## **IX. ENTIRE AGREEMENT.**

This document and exhibits hereto contain the entire agreement between Developer and 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 may be recorded and may be modified only by written amendment signed by Developer and City.

**X. ASSIGNMENT.**

The Developer hereunder may assign the rights, duties, and obligations of Developer to affiliated entities. Other assignments may be made only with the prior written consent of City (which consent shall not unreasonably be withheld). If a request for consent is not denied in writing on or before thirty days (30) after written request, such consent shall be deemed given.

**XI. SURVIVAL OF WARRANTIES AND REPRESENTATIONS.**

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

**XII. DEFAULT.**

The following shall be considered a "Default" under this Agreement and subject to the notice requirements and remedies set forth in Section XIII of this Agreement:

- A. A material breach of this Agreement by either City or Developer.
- B. A material breach of any term or condition of the Purchase Agreement for the purchase of the Property by either City or Developer.
- C. The Developer ceases to be permitted to do business in good standing in Illinois by the Secretary of State or other regulatory agency of the Illinois government for a period of ninety (90) days or more.

**XIII. NOTICE OF DEFAULT AND REMEDIES UPON DEFAULT.**

- A. If, in City's reasonable judgment, Developer is in material Default of this Agreement, City shall provide Developer with a written statement indicating in adequate detail any failure on Developer's part to fulfill its obligations under this Agreement. Except and only as required to protect against further damages, City may not exercise any remedies against Developer in connection with such Default until thirty (30) days after giving such written 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 Developer diligently proceeds with such cure. If such Default is substantially cured within such extended period, the Default shall not be deemed to constitute a breach of this Agreement. A Default not substantially cured as provided above shall constitute a breach of this Agreement. Any failure or delay by 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 Developer materially fails to fulfill its obligations under this Agreement (including without limitation any incorporated agreements) after notice is given by City and any cure periods described in Paragraph A above have expired, City may elect to terminate this Agreement or exercise any right or remedy it may have at law or in equity, including 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 Developer, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare Developer insolvent or unable to pay Developer's debts, or Developer makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for Developer or for the major part of the Developer's property, 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 City, to forthwith terminate this Agreement. To effect City's termination of this Agreement under this Section XIII B, 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 XIII B, in which event this Agreement by virtue of the recording of such certificate, shall become null and void and of no further force and effect.
- C. If, in Developer's reasonable judgment, City is in material Default of this Agreement, the Developer shall provide City with a written statement indicating in adequate detail any failure on City's part to fulfill its obligations under this Agreement. Except and only as required to protect against further damages, Developer may not exercise any remedies against City in connection with such failure until thirty (30) days after giving such written 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 City diligently proceeds with such cure. If such Default is substantially cured within such extended period, the Default shall not be deemed to constitute a breach of this Agreement. A Default not substantially cured as provided above shall constitute a breach of this Agreement. Any failure or delay by 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. If City materially fails to fulfill its obligations under this Agreement (including without limitation any incorporated agreements) after notice is given by Developer and any cure periods described in Paragraph C above have expired, Developer may elect to terminate this Agreement or exercise any right or remedy it may have at law or in equity, including 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 City, or any voluntary or involuntary proceeding in any court or tribunal shall be instituted to declare City insolvent or unable to pay City's debts, or City makes an assignment for the benefit of its creditors, or a trustee or receiver is appointed for City or for the major part of the City's property, Developer 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 Developer, to forthwith terminate this Agreement. To effect Developer's termination of this Agreement under this Section XIII D, Developer's sole obligation shall be to record, in the office of the Rock Island County Recorder, a Certificate of Default stating that this Agreement is terminated pursuant to the provisions of this Section XIII D, in which event this Agreement by virtue of the recording of such certificate, shall become null and void and of no further force and effect.

- E. 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 or seek any type of damages, 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.
- F. 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.
- G. Any and all remedies available to the City and Developer under the Purchase Agreement for the purchase of the Property shall be available and enforceable at the election of City or Developer herein, and this Agreement shall not limit but only expand said remedies available to City and Developer under such agreement.

#### **XIV. NON-DISCRIMINATION.**

Developer agrees that neither the Property nor any portion thereof, shall be sold to, leased, or used by 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.

**XV. 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:

If to Developer:  
HOA Hotels LLC  
Attn: Mike Whalen, President & CEO  
1501 River Drive  
Moline, IL 61265

If to the City:  
City of Moline  
619 16<sup>th</sup> Street  
Moline, IL 61265  
Attn: City Administrator and City Clerk

With a copy to:  
Heart of America Group  
Attn: Kirk Whalen, VP & General Counsel  
1501 River Drive  
Moline, IL 61265

With a copy to:  
City of Moline  
619 16<sup>th</sup> Street  
Moline, IL 61265  
Attn.: City Attorney and Planning  
and Economic Development Director

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

**XVI. COUNTERPARTS.**

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

**XVII. HEADINGS.**

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

**XVIII. 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.

**XIX. SEVERABILITY; RULE AGAINST PERPETUITY.**

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. Further, if any provision of this Agreement or the application thereof would otherwise be unlawful, void, or voidable by reason of any applicable rule against perpetuities, then such provision or application shall continue only until twenty one (21) years after the death of the last survivor of the now living descendants of Barack Obama.

**XX. 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.

**XXI. 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.

The Parties further agree to good faith cooperation in executing the Project pursuant to this Agreement.

**XXII. 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 such third 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.

**XXIII. PROJECT OF HIGH PRIORITY.**

The City agrees to act in good faith and use its best efforts to timely process and review all plans and submissions and consider the issuance of all necessary permits and other approvals, including building permits, rezoning approvals, preliminary and final plat approval, construction progress inspections, and all other permits or approvals which are required for the Developer to construct the Project. To the extent the City determines that any plans or other documents or

requests submitted by the Developer for the City's approval are unacceptable, the City shall provide a written description detailing the portions of the Plans or documents that are unacceptable.

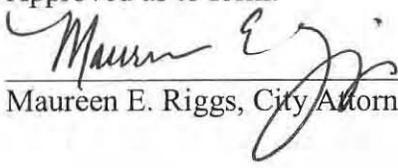
IN WITNESS WHEREOF, the Parties hereto have executed this Agreement on the dates set forth above their respective signatures.

**THE CITY OF MOLINE, ILLINOIS**

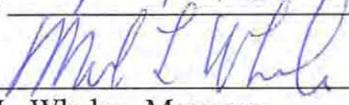
DATED: \_\_\_\_\_

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

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

Approved as to form:  
  
\_\_\_\_\_  
Maureen E. Riggs, City Attorney

**HOA HOTELS LLC**

DATED: 9-7-16  
  
\_\_\_\_\_  
Michael L. Whalen, Manager

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

On this \_\_\_\_\_ day of September, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **SCOTT RAES** and **TRACY A. KORANDA** to me personally known, who, being by me duly sworn, did say that they are the **Mayor** and **City Clerk**, respectively, of the **City of Moline**, executing the within and foregoing instrument to which this

is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

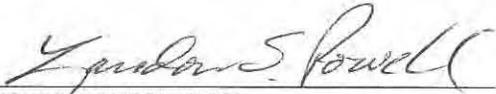
(seal)

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

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

On this 7th day of September, 2016, before me, a Notary Public in and for said County and State aforesaid, personally appeared **Michael L. Whalen**, to me personally known, who being by me duly sworn (or affirmed) did say that he is a **Manager** of **HOA Hotels LLC**, an Iowa limited liability company authorized to do business in Illinois, and that said instrument was signed on behalf of the company by said **Michael L. Whalen** as **Manager** of said company. **Michael L. Whalen** acknowledged the execution of said instrument to be the voluntary act and deed of said limited liability company, by it and by him voluntarily executed.

(seal)

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



**EXHIBIT "A"**

**LEGAL DESCRIPTION**

Project Property (Entire Property)

1620 5<sup>th</sup> Avenue

That part of Lot Number Two (2) in McEnary's Addition to the City of Moline, described as follows: Commencing at the most Westerly corner of said Lot: Thence Southeasterly along the Southwesterly line of said Lot to the most Southerly corner of said Lot; Thence Northeasterly along the Southeasterly line of said Lot, Fifty (50) feet; Thence Northwesterly to the Northwesterly line of said Lot along a line parallel to the Southwesterly line thereof; Thence Southwesterly to the place of beginning; Commonly known as the West fifty (50) feet of said Lot; Except that part of said premises heretofore taken for street purposes, Situated in Rock Island County, Illinois

and

1630 5<sup>th</sup> Avenue

Lot 1 and the East 30' of Lot 2 of McEnary's Addition situated in the City of Moline, County of Rock Island and State of Illinois

## EXHIBIT "B"

### PURCHASE AGREEMENT FOR 5<sup>th</sup> AVENUE BUILDING

#### AGREEMENT FOR SALE OF COMMERCIAL REAL ESTATE

Purchaser:  
City of Moline

Seller:  
Fifth Avenue Block LLC, an Illinois limited  
liability company

#### 1. THIS AGREEMENT IS DATED: September 1, 2016.

Purchaser agrees to purchase from the Seller and the Seller agrees to sell to Purchaser the real estate and any improvement thereon, commonly known as: 1630 5<sup>th</sup> Avenue, Moline, Illinois, and legally known as: Lot 1 and the East 30' of Lot 2, McEnary's Addition situated in the City of Moline, County of Rock Island and the State of Illinois, for the sum of \$1,800,000.00 to be paid as follows:

The full purchase price shall be paid at closing.

#### 2. POSSESSION AND CLOSING

Possession On Closing:

(A) Seller shall deliver possession of the subject property to Purchaser concurrently with the closing of this transaction which shall be held on or before September 30, 2016.

(B) Per diem rent in the amount of \$ 0 shall be paid by Seller to Purchaser for each day the delivery of possession is beyond the date of closing, but under no circumstances shall the Seller be able to remain in possession more than 0 days after closing.

Additional Provisions:

(A) Possession shall be deemed delivered when Seller has vacated the subject property and delivered the keys to Purchaser or Purchaser's agent.

(B) Necessary timely legal notices to tenants, if any, to be given by Seller unless otherwise agreed to by the parties.

(C) If Seller shall fail for any reason whatsoever to vacate the subject property after the above specified number of days, 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 subject property with Seller hereby agreeing to reimburse Purchaser for all reasonable attorney fees and expenses incurred by the Purchaser in the enforcement of Purchaser's rights under this Agreement.

#### 3. EVIDENCE OF TITLE

At least two weeks prior to the closing date, Seller shall deliver (A.) \_\_\_ an abstract of title or (B.) X a Commitment for Title Insurance issued by a title insurance company regularly doing business in the County where the subject property is located committing the company to issue an owner's policy in the usual form insuring merchantable title to the property. 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, Purchaser shall be entitled to a refund of the Earnest Money. Furnishing a title insurance commitment insuring over an exception shall constitute a cure of such exception.

#### **4. CONVEYANCE OF TITLE AND DOCUMENTS OF SALE**

Form of Deed. The Seller shall convey title to the Property by Warranty Deed ("Deed") along with such other documents as may be required to record the deed, transfer personal property, if any, and protect Purchaser from mechanics' liens. Seller represents that Seller knows of no conditions, faults or defects, whether environmental or otherwise. At closing, and upon delivery of the Deed to Buyer, whatever occupancy rights Seller has in and to the property will become Buyer's rights.

#### **5. PRORATIONS AND ADJUSTMENTS**

The following items shall be prorated at closing:

##### **A. Prorations:**

- (1) Real estate taxes, based on the most recent year's tax bill available, which, in the absence of fraud, shall be final;
- (2) Rent, if any, (with transfer in full of any funds and books/records of security/damage deposit, CAM account, and any other monies held as Landlord or property owner);
- (3) Interest on any assumed indebtedness;
- (4) Insurance premiums if policy assigned to Purchaser; and
- (5) Other income and operation expenses, if any.

##### **B. Adjustments:**

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

#### **6. ASSESSMENTS**

Seller shall pay all special assessments, which are a lien on the subject property as of the date of closing. 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 subject property. Tap on fees, if any, which exist for municipal services to the subject property, shall be paid by the purchaser.

## **7. FIXTURES AND PERSONAL PROPERTY**

All fixtures presently installed on the subject property including but not limited to; brackets and fixtures, all carpeting, electric light fixtures, bathroom fixtures and accessories, telephone lines, central heating and cooling units and attached equipment, all shrubs and trees, shall be left by Seller in or upon said subject property exactly as they are as of the date of this Agreement, and shall be deemed a part of the subject property and title thereto shall pass to Purchaser at closing. The following personal property shall be sold to Purchaser as part of the consideration for the purchase price: all of Seller's personal property pertaining to the subject building and grounds located upon the premises at this time.

## **8. CONDITION OF SUBJECT PROPERTY**

The parties agree that the purchase price reflects the condition of the subject property and Purchaser acknowledges that the real estate and the improvements thereof have been inspected, and Purchaser is acquainted with the condition thereof and accepts the same in (CHECK ONE OF THE FOLLOWING):

(A.) "As-Is"

(B.) "As-Is" condition except Seller warrants the plumbing, heating and electrical systems to be in normal working condition on date of possession. Written notice of breach of the warranty contained above must be served upon Seller, Seller's attorney, or Seller's agent within two (2) business days of the date of possession. Purchaser shall have the right to inspect the subject property during the 48-hour period immediately prior to closing.

## **9. DEFAULT**

If Purchaser fails to make any payment or to perform any obligation imposed upon Purchaser 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. In the event Seller fails to perform any obligation imposed upon Seller 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, expenses incurred by reason of default, and the real estate brokerage fee.

## **10. CASUALTY CLAUSE**

Seller shall bear the risk of loss or damage to the subject property prior to closing or possession, whichever first occurs. In the event all or a material part of the subject property is damaged or destroyed prior to closing or possession, whichever first occurs, this Agreement shall terminate and be of no further force and effect, unless the subject property can be restored to its present

condition on or before the closing date. Seller shall keep adequate insurance, including fire and other extended coverage, on improvements on the subject property 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 the subject property.

## **11. EXPENSES OF TRANSFER**

A. Seller shall pay:

- (1) Broker's Commission;
- (2) Cost of owner's title policy; and
- (3) Revenue stamps and recording of any releases.

B. Purchaser shall pay:

- (1) Recording fee for deed and mortgage; and
- (2) Cost of Purchaser's mortgage title insurance policy as required by mortgagee.

Each party shall be responsible for their own attorney fees and customary closing costs. Closing costs do not ordinarily include charges incident to the Purchaser's financing, and Purchaser shall pay such charges.

## **12. 1031 EXCHANGE**

Both Purchaser and/or Seller agree that it shall be an accommodation party, if requested by Seller and/or Purchaser, in a "1031 Starker Exchange," provided that Purchaser and/or Seller shall incur no additional cost with regard to said accommodation, shall not be required to take title to any property other than the subject property and said accommodation does not delay the closing of the transaction for the subject property.

## **13. ESCROW**

This Agreement will be closed through an escrow either with the (A.) X Purchaser's attorney, (B.) \_\_\_\_\_ mortgage lender. The funds held in escrow shall be paid out upon recording of the necessary documents and the vesting of merchantable title in the Purchaser.

## **14. REPRESENTATIONS OF SELLER**

Seller hereby represents to Purchaser that, to the best of Seller's knowledge, the subject property is not contaminated with, nor threatened with contamination from outside sources by any chemical, material or substance to which exposure is prohibited, limited or regulated by any federal, state, county, local or regional authority or which is known to pose a hazard to health and safety and that Seller has not used the subject property as a landfill or dumpsite, or for storage of hazardous substances, or has not otherwise done anything to contaminate the subject property with hazardous wastes or substances. Seller warrants that the subject property is not subject to any local, state or Federal judicial or administrative action, investigation or order, as the case may be, regarding wells or underground storage tanks, solid waste disposal sites, or hazardous wastes or substances. In the event Purchaser notifies Seller before closing that the representations and warranties set

forth herein are untrue and such notice is accompanied by a report from an engineering company or environmental consultant with experience in evaluating such matter, then Purchaser, at its option, may terminate this Agreement, and the Earnest Money paid herein shall be returned to Purchaser.

**15. LEASES**

As of the date of this Agreement, the subject property is subject to the following leases:

See Exhibit A attached hereto and incorporated herein by reference.

Prior to closing, Seller shall not enter into any new leases or agree to extend any existing leases without Purchaser's prior written consent and shall provide estoppel letters.

**16. SELLER'S CONSENT TO ASSIGNMENT**

This Agreement shall be freely assignable by Purchaser to any other person or entity without Seller's prior written consent.

**17. NOTICES**

All notices required hereunder shall be in writing and shall be served upon the parties at the addresses designated herein by personal service, certified mail (return receipt requested), or Federal Express or other overnight mail.

Seller:  
Fifth Avenue Block LLC  
c/o Rodney A. Blackwell  
Financial District Properties  
201 N. Harrison St., Suite 402  
Davenport, IA 52801

Purchaser:  
City of Moline  
c/o Maureen E. Riggs, City Attorney  
619 16<sup>th</sup> Street  
Moline, IL 61265

**18. GENERAL CONDITIONS**

This Agreement shall be binding upon the parties and their successors and assigns. Time is of the essence of this Agreement. This Agreement shall be governed by and enforced in accordance with the laws of the state in which the subject property is located. This Agreement contains the entire agreement of the parties and no representations, warranties, or agreements have been made by either party except as set forth herein. No modification, waiver, or amendment of the Agreement shall be effective unless made in writing and signed by the parties. All representations, warranties and covenants made by the parties shall survive closing. Paragraph headings are for the convenience of reference and shall not limit or affect the meaning of the Agreement.

## **19. BROKER REPRESENTATIONS**

It is understood that no representation made by the Broker or Salesperson in the negotiation of this Agreement are being relied upon unless incorporated herein in writing. Broker and Salesperson make no representations or warranties, either expressed or implied, as to the physical or mechanical condition of the subject property.

## **20. BROKERS AS AGENTS**

Parties acknowledge that agency disclosures have been made and signed prior to signing of this Purchase Agreement. The Broker, the Broker's agents, employees, and associates must respond to all questions of the parties accurately and honestly and must disclose all material defects about which they have knowledge, but are not required to discover hidden defects in the subject property or give advice on matters outside the scope of their real estate licenses.

## **21. AGENCY**

Seller and Purchaser acknowledge that no agents or brokers are involved in this transaction.

## **22. DUE DILIGENCE**

(A) From the date of execution of this agreement by Seller until September 20, 2016, (the "Due-Diligence Period"), Purchaser and its agents and representatives shall be entitled to conduct an inspection as to the Property, which will include, but shall not be limited to, the rights to (1) enter on the Property to perform inspections and tests, including, but not limited to, inspection, evaluation, and testing of the heating, ventilation, and air-conditioning systems and all components thereof, the roof of the Building, the parking lots, all structural and mechanical systems within the Building, including, but not limited to, sprinkler systems, power lines and panels, air lines and compressors, automatic doors, tanks, pumps and plumbing, and all equipment and Personal Property; (2) make investigations with regard to zoning, environmental, building code, and other legal requirements, including, but not limited to, an environmental assessment; (3) make or obtain market studies and real estate analyses; (4) analyze the financial feasibility of ownership of the Property; and (5) arrange for termination of existing leases and relocation of any long term lessees. If Purchaser, in its sole and absolute discretion, determines that the results of any inspection, test, or examination, or attempts at termination and relocation of existing leases do not meet Purchaser's (or its assignees', underwriters', investment bankers', board of directors', lenders', or investors') criteria for purchase, financing, or operating of the Property in the manner contemplated by Purchaser, or if the information disclosed does not otherwise meet Purchaser's investment criteria or underwriting for any reason whatsoever, or if Purchaser, in its sole discretion, otherwise determines that the Property is unsatisfactory to it, then Purchaser may terminate this Agreement by written notice to Seller, given not later than the last day of the Due-Diligence Period. Upon such termination, the Earnest Money, together with all interest accrued thereon, shall be returned immediately to Purchaser, and except as otherwise provided in this section, neither party shall have any further liability to the other hereunder. In the event Purchaser fails to notify Seller of its intent to terminate this Agreement prior to the expiration of the Due-

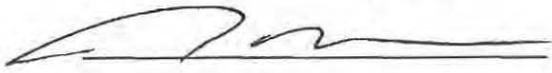
Diligence Period, Purchaser's right to terminate this Agreement shall be waived and become null and void.

**23. ACCEPTANCE BY PURCHASER**

Until accepted by the Purchaser, this document constitutes an irrevocable offer to sell by the Seller on the terms stated above. Seller acknowledges and agrees that this Agreement is subject to Purchaser's right and legal responsibility to formally submit this Agreement to the City Council for review, approval and authorization to execute. If not so approved by the Council by September 27, 2016, this offer and Agreement shall be void. The parties understand that the City Council may not approve this Agreement and that until approved by the City Council, it is not and shall not be binding upon the City, its officers, employees or agents.

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

IN WITNESS WHEREOF, Fifth Avenue Block, LLC, an Illinois limited liability company,, Seller, has caused this Agreement for Sale of Real Estate to be executed this 15 day of September, 2016.



STATE OF IOWA            )  
  )    SS:  
COUNTY OF SCOTT        )

On this 15<sup>th</sup> day of Sept, 2016, before me, the undersigned, a Notary Public in and for the State and County aforesaid, personally appeared Rodney A. Blackwell, to me personally known, who being by me duly sworn (of affirmed), did say that he is Managing Principal and sole owner of Fifth Avenue Block LLC, an Illinois limited liability company and that said instrument was signed on behalf of said company. Rodney A. Blackwell acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by him voluntarily executed.

Jennifer Kakert  
NOTARY PUBLIC



IN WITNESS WHEREOF, the **CITY OF MOLINE**, Buyer, has caused this Agreement for Sale of Real Estate to be duly executed in its name and on behalf by Scott Raes, its Mayor, this \_\_\_\_\_ day of \_\_\_\_\_, 2016.

CITY OF MOLINE (Buyer)

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

Attest:

\_\_\_\_\_  
Tracy A. Koranda, City Clerk

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

On this \_\_\_\_\_ day of \_\_\_\_\_, 2016, before me, the undersigned, a Notary Public in and for the State of Illinois, personally appeared **SCOTT RAES** and **TRACY A. KORANDA**, to me personally known, who, being by me duly sworn, did say that they are the Mayor and City Clerk, respectively, of the City of Moline, executing the within and foregoing instrument to which this is attached; that said instrument was signed (and sealed) on behalf of (the seal affixed thereto is the seal of said corporation) as such officers acknowledged the execution of said instrument to be the voluntary act and deed of said corporation, by it and by them voluntarily executed.

(seal)

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

Approved as to Form:

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

## **EXHIBIT "C"**

### **PROJECT SCHEDULE**

Estimated Schedule:

Structural repairs, demolition and environmental remediation. 11/16 – 8/17

Tenant relocation. 11/16 – 8/17

Plan submission. 6/17 – 8/17

Building Conversion. 9/17 – 7/18

Open. 7/18 – 8/18

Note: Anticipated dates could vary 2-3 months depending on environmental remediation and tenant relocation timing/delays.

## **EXHIBIT “D”**

### **ELIGIBLE REDEVELOPMENT COSTS**

**Costs as Permitted Pursuant to Section 5/11-74.4-3 (q) and any other applicable sections of the Act:**

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

## EXHIBIT "E"

### ILLUSTRATED EXAMPLE OF ESTIMATED COMBINED REBATE WORKSHEET

#### 5TH AVENUE BUILDING/SEARS ROEBUCK BUILDING REDEVELOPMENT ESTIMATED INCREMENT WORKSHEET

|                        |         |                      |                  |                       |               |
|------------------------|---------|----------------------|------------------|-----------------------|---------------|
| 5th Avenue Building    | 08-4376 | Current Market Value | \$ 1,418,922.00  | FAV                   | \$ 473,260.00 |
| Sears Roebuck Building | 08-4377 |                      | \$ 752,804.00    |                       | \$ 84,258.00  |
|                        |         |                      |                  |                       | \$ 557,528.00 |
| Total Project Cost     |         |                      | \$ 18,000,000.00 |                       |               |
| Current FAV            |         |                      | \$ 557,528.00    |                       |               |
| Value at Completion    |         |                      | \$ 10,800,000.00 | (50% of project cost) |               |
| New EAV                |         |                      | \$ 3,600,000.00  |                       |               |

#### Estimated Incentives Available

|                 |                           |  |                                     |
|-----------------|---------------------------|--|-------------------------------------|
| \$ 30,000.00    | Facade Grants             | \$15,000 each Building                           | estimate (to be adjusted to actual) |
| \$ 70,000.00    | Parking Deck Improvements |  | estimate (to be adjusted to actual) |
| \$ 350,000.00   | Enterprise Zone           | Sales Tax Exemption & Building Permit Fee Waiver | (agreed upon amount by Parties)     |
| \$ 6,222,162.87 | TIF Property Tax Rebate   |  |                                     |
| \$ 1,745,755.96 | Hotel/Motel Tax Rebate    |  |                                     |
| \$ 84,639.23    | Sales Tax Rebate          |  |                                     |
| \$ 9,502,558.05 |                           |  |                                     |

| ID # | Address             | Total Fair Market Value (FMV) | EAV (2015)    | "Base" EAV (2016) | New EAV         | *Project Increment | 2015 Tax Rate 9.0085 | Development Increment |
|------|---------------------|-------------------------------|---------------|-------------------|-----------------|--------------------|----------------------|-----------------------|
|      | 1670 & 1680 5th Ave | \$ 10,800,000.00              | \$ 557,528.00 | \$ 557,528.00     | \$ 3,600,000.00 | \$ 3,042,472.00    | 9.3087               | \$ 283,208.51         |
|      |                     | \$ 10,800,000.00              | \$ 557,528.00 | \$ 557,528.00     | \$ 3,600,000.00 | \$ 3,042,472.00    |                      | \$ 283,208.51         |

| REBATE ESTIMATE SCHEDULE |      | Assessment Year | Payable Year | Net Property Tax Increment* | Property Tax Rebate | Developer % PT Rebate | Hotel/Motel Tax Increment | QCCVB 17.857%  | 50% Hotel/Motel Rebate | Sales Tax Increment | 20% Sales Tax Rebate | Combined Rebate Total | Cumulative Rebate | Net Present Value of Rebates @ 6% | Cumulative NPV of Rebates @ 6% |
|--------------------------|------|-----------------|--------------|-----------------------------|---------------------|-----------------------|---------------------------|----------------|------------------------|---------------------|----------------------|-----------------------|-------------------|-----------------------------------|--------------------------------|
| 1                        | 2018 | 2019            |              | \$141,004.25                | \$127,443.83        | 90%                   | \$109,300.00              | \$37,374.70    | \$85,928.05            | \$183,000.00        | \$36,600.00          | \$216,258.48          | \$216,258.48      | 204,015.54                        | 204,015.54                     |
| 2                        | 2019 | 2020            |              | \$288,672.18                | \$259,985.41        | 90%                   | \$235,550.00              | \$42,062.16    | \$86,743.92            | \$315,000.00        | \$63,000.00          | \$359,879.33          | \$576,155.80      | 320,291.32                        | 524,306.86                     |
| 3                        | 2020 | 2021            |              | \$294,650.13                | \$265,185.12        | 90%                   | \$251,400.00              | \$45,240.64    | \$106,075.38           | \$330,000.00        | \$66,000.00          | \$372,540.30          | \$948,696.10      | 312,808.81                        | 817,115.67                     |
| 4                        | 2021 | 2022            |              | \$300,543.13                | \$270,493.83        | 90%                   | \$257,400.00              | \$47,248.62    | \$109,625.19           | \$345,000.00        | \$69,000.00          | \$383,794.01          | \$1,332,490.11    | 303,077.04                        | 1,141,592.72                   |
| 5                        | 2022 | 2023            |              | \$306,554.00                | \$275,998.80        | 90%                   | \$263,400.00              | \$50,374.60    | \$113,662.70           | \$360,000.00        | \$72,000.00          | \$395,361.40          | \$1,727,851.41    | 295,416.96                        | 1,436,529.68                   |
| 6                        | 2023 | 2024            |              | \$313,685.07                | \$281,416.57        | 90%                   | \$269,700.00              | \$51,592.09    | \$118,915.56           | \$375,000.00        | \$75,000.00          | \$403,680.51          | \$2,131,501.93    | 284,578.84                        | 1,721,108.52                   |
| 7                        | 2024 | 2025            |              | \$318,918.78                | \$287,044.00        | 90%                   | \$275,750.00              | \$52,812.08    | \$124,468.96           | \$375,000.00        | \$75,000.00          | \$412,213.89          | \$2,543,715.79    | 274,175.01                        | 1,995,283.53                   |
| 8                        | 2025 | 2026            |              | \$325,317.55                | \$292,785.80        | 90%                   | \$282,750.00              | \$54,062.07    | \$129,443.97           | \$380,000.00        | \$76,000.00          | \$420,949.76          | \$2,964,715.56    | 264,109.09                        | 2,259,396.61                   |
| 9                        | 2026 | 2027            |              | \$331,821.90                | \$298,541.51        | 90%                   | \$289,750.00              | \$55,312.06    | \$134,718.97           | \$390,000.00        | \$78,000.00          | \$429,760.48          | \$3,394,476.04    | 254,374.57                        | 2,513,771.18                   |
| 10                       | 2027 | 2028            |              | \$338,460.38                | \$304,914.34        | 90%                   | \$297,750.00              | \$56,567.05    | \$140,093.98           | \$397,000.00        | \$79,400.00          | \$438,670.32          | \$3,833,146.36    | 244,955.88                        | 2,758,726.87                   |
| 11                       | 2028 | 2029            |              | \$344,844.98                | \$311,569.49        | 90%                   | \$307,000.00              | \$57,893.29    | \$145,895.86           | \$404,000.00        | \$80,800.00          | \$448,405.74          | \$4,277,560.10    | 234,107.40                        | 2,992,834.27                   |
| 12                       | 2029 | 2030            |              | \$348,263.43                | \$316,737.09        | 90%                   | \$315,540.00              | \$58,847.15    | \$151,345.77           | \$413,000.00        | \$82,600.00          | \$459,217.25          | \$4,727,777.35    | 223,744.18                        | 3,216,578.45                   |
| 13                       | 2030 | 2031            |              | \$348,716.07                | \$317,344.66        | 90%                   | \$315,137.50              | \$58,674.69    | \$151,895.76           | \$413,000.00        | \$82,600.00          | \$459,114.72          | \$5,183,891.58    | 213,844.15                        | 3,430,422.60                   |
| 14                       | 2031 | 2032            |              | \$352,263.23                | \$319,983.91        | 90%                   | \$321,800.00              | \$60,224.39    | \$153,017.99           | \$420,700.00        | \$84,140.00          | \$469,898.08          | \$5,645,889.66    | 204,386.43                        | 3,634,809.03                   |
| 15                       | 2032 | 2033            |              | \$355,715.26                | \$322,752.74        | 90%                   | \$328,717.62              | \$62,449.68    | \$154,334.77           | \$430,700.00        | \$86,140.00          | \$480,170.71          | \$6,114,159.87    | 195,351.07                        | 3,830,160.10                   |
| 16                       | 2033 | 2034            |              | \$359,187.51                | \$325,754.16        | 90%                   | \$336,711.95              | \$64,696.05    | \$155,906.05           | \$440,700.00        | \$88,140.00          | \$491,332.08          | \$6,589,491.95    | 186,719.06                        | 4,016,879.16                   |
| 17                       | 2034 | 2035            |              | \$362,571.34                | \$328,987.81        | 90%                   | \$345,846.21              | \$67,071.02    | \$157,610.10           | \$450,700.00        | \$90,140.00          | \$502,550.18          | \$7,069,072.14    | 178,472.74                        | 4,195,351.90                   |
| 18                       | 2035 | 2036            |              | \$366,004.09                | \$332,451.86        | 90%                   | \$355,111.13              | \$69,571.46    | \$159,425.84           | \$460,700.00        | \$92,140.00          | \$513,911.01          | \$7,559,050.15    | 170,592.24                        | 4,365,944.05                   |
| 19                       | 2036 | 2037            |              | \$370,169.13                | \$336,152.22        | 90%                   | \$365,474.58              | \$72,196.88    | \$161,874.35           | \$470,700.00        | \$94,140.00          | \$525,379.73          | \$8,049,379.73    | 163,005.56                        | 4,539,010.72                   |
| 20                       | 2037 | 2038            |              | \$373,870.83                | \$340,083.74        | 90%                   | \$375,116.50              | \$74,946.83    | \$164,583.24           | \$480,700.00        | \$96,140.00          | \$537,463.94          | \$8,549,286.23    | 155,873.36                        | 4,684,883.50                   |
| 21                       | 2038 | 2039            |              | \$377,609.53                | \$344,248.56        | 90%                   | \$385,548.50              | \$77,848.83    | \$167,583.84           | \$490,700.00        | \$98,140.00          | \$549,503.94          | \$9,059,518.05    | 148,922.54                        | 4,841,806.11                   |
| <b>Total</b>             |      |                 |              | \$6,913,514.29              | \$6,222,162.87      |                       | \$6,685,307.23            | \$1,193,795.11 | \$2,745,255.96         | \$8,463,923.00      | \$1,691,331.21       | \$10,155,286.21       | \$9,052,558.05    |                                   |                                |

\* Year 1 assumes Property 50% assessed at 1/1/18. 2% Annual Increment Growth for Years 2-10, 1% for Years 11-21.

Note: If \$30,000 Façade Grants received & \$70,000 Parking Deck Improvements performed & Enterprise Zone (STE) maintained, remaining Incentives from Rebates = \$4,150,000. Based on estimates, such will be achieved between Years #16-17.

## EXHIBIT "F"

### LETTER OF UNDERSTANDING HOTEL INCENTIVES



Lewis J. Steinbrecher  
City Administrator

619 16<sup>th</sup> Street  
Moline, Illinois 61265

Phone: 309.524.2004  
Email: [lsteinbrecher@moline.il.us](mailto:lsteinbrecher@moline.il.us)

August 29, 2016

Mike Amin  
Moline Promenade Investors, LLC  
1415 River Drive  
Moline, IL 61265

Dear Mike:

Pursuant to the meeting which took place on Monday, August 8, 2016, the City wishes to confirm the description of the proposed hotel to be located within the Fifth Avenue and Sears Roebuck Buildings located at 1620 and 1630 Fifth Avenue, Moline. Based on the meeting and the below description, it is the City's understanding that you acknowledge and approve the ability of the City to enter into a performance based development with the HOA LLC immediately. Further all parties acknowledge that the Hotel will not open until 12 months after the Element Hotel, or May 31, 2018, whichever occurs first.

#### *FIFTH AVENUE BUILDING HOTEL DESCRIPTION*

**CATEGORY:** A full service hotel

**BRAND:** The hotel will seek branding as a Marriott or Hyatt brand pending acceptance. No brand has been formally approved. The hotel may be operated under an independent boutique brand, The Hotel Renovo, a brand owned and operated by Heart of America Group.

**ROOM COUNT:** Approximately 107 +/-

**PROJECTED ADR:** \$155 - \$165

**OPENING:** May 31, 2018 or 12 months after the opening of the Westin Element Hotel, whichever is sooner.

**RESTAURANT:** The LaFlama restaurant space will be reprogrammed into a full service food and beverage operation that will open to the public during normal operating hours.

**AMENITIES:** Heart of America Group will explore how to incorporate the Barnett/Sears Building into the hotel design for use as meeting/conference space and health facilities. This 14,000 square foot building is owned by Heart of America Group. This adjacent building may also include other uses.

**SERVICE LEVEL:** Heart of America Group will use good faith efforts to obtain 4 star status. The hotel will offer room service, dry cleaning and similar services. The hotel will coordinate with neighboring businesses to provide barber and salon, floral and other personal services.

The City and HOA LLC will keep you informed as to the status of any agreements as well as provide you with the details of the project as they become available. In addition, should the project follow the PMT/DBMT process, the Amin Group will be included in the Core DBMT Team.

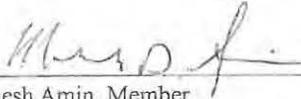
Sincerely,



Lew Steinbrecher  
City Administrator  
City of Moline

---

Please acknowledge by signature below that the items listed in the letter are accurate and that you consent to the City executing a performance based development agreement with HIOA LLC, and that such agreement will not be considered to be a breach of the agreement between the City of Moline and Moline Promenade Investors LLC.



Mahesh Amin, Member  
Moline Promenade Investors, LLC

**EXHIBIT "G"**  
**SCHEMATICS**

To be completed when plans are finalized. Proposed exterior schematic below.



# CITY OF MOLINE CONTRACT

THIS AGREEMENT, made and concluded this \_\_\_\_\_ day of \_\_\_\_\_, A.D., 2016, between **WALTER D. LAUD, INC.** of **P.O. BOX 88, EAST MOLINE, ILLINOIS 61244**, hereinafter referred to as the “CONTRACTOR,” and the CITY OF MOLINE, ILLINOIS, hereinafter referred to as the “CITY;”

WITNESSETH, that the CONTRACTOR for and in consideration of the payments to be made to it by the CITY in the amount of **TWO HUNDRED EIGHTY NINE THOUSAND AND THREE HUNDRED NINETY SEVEN 00/100 (\$289,397.00) DOLLARS**, hereby covenants and agrees, to and with the CITY, that it shall and will in good and workmanlike manner, furnish all the labor and material for **PROJECT #1255, 2016 Sanitary Sewer Replacement Project** as set out in the plans and specifications.

Such work to be under the direction and to the satisfaction of the City Engineer, and in accordance with the plans and specifications, which are a part of this contract. The work to be commenced not later than 10 days after the execution of this contract; to progress regularly and uninterruptedly after it shall have been begun excepting as shall otherwise be ordered by the City Council of the City of Moline (hereinafter referred to as the “City Council”), or its authorized representative, and shall be finished and fully completed within the timeframe set forth in the specifications; the time of commencement, rate of progress and time of completion being essential conditions of this contract; PROVIDED, however that if the time of the performance of the contract herein be for any reason either expressly or by implication extended, such extension shall not affect the validity of this contract.

The Contractor further agrees that the unit prices submitted are for the purpose of obtaining a gross sum, and for use in computing the value of extras and deductions; that if there is a discrepancy between the gross sum bid and that resulting from the summation of the quantities multiplied by their

respective unit prices, the latter shall apply. When this contract shall be wholly carried out and completed on the part of the Contractor, and when said work has been accepted by the City, a sum of money shall be computed by multiplying the following unit prices by the quantity of items completed, it being understood that the following total sum of money listed is for the purpose of determining the amount of the performance, labor, material and maintenance bond only. Such payment shall be made as provided for in the said specifications.

This Contract calls for the construction of a “public work” within the meaning of the Illinois Prevailing Wage Act, 820 ILCS 130/.01 et seq. (“the Act”). The Act requires contractors, subcontractors, and truckers to pay laborers, workers, and mechanics performing services on public works projects not less than the “prevailing rate of wages” (hourly cash wages plus fringe benefits) in the county where the work is performed. The prevailing wage rates for projects for the City of Moline required by Moline Special Ordinance 4031-2016 are updated monthly by the Illinois Department of Labor and may be found at:

[://www.illinois.gov/idol/Laws-Rules/CONMED/rates/2015/june/ROCK\\_ISL](http://www.illinois.gov/idol/Laws-Rules/CONMED/rates/2015/june/ROCK_ISL).

All contractors, subcontractors, and truckers rendering services under this contract must comply with all requirements of the Act, including but not limited to, all wage, notice and record keeping duties. All contractors, subcontractors, and truckers shall keep an accurate record showing the names and occupations of all laborers, workers, and mechanics employed by them on this contract, and also showing the actual hourly wages paid to each of such persons and shall preserve their weekly payroll records for a period of three (3) years from the date of completion of the contract. Weekly certified payrolls shall be sent to the City Engineer.

For further information, please refer to the Illinois Department of Labor’s website at:

[://www.state.il.us/agency/](http://www.state.il.us/agency/).

It is further provided that the CONTRACTOR shall upon the sealing of this contract, file with the CITY a good and sufficient bond in the penal sum of **TWO HUNDRED EIGHTY NINE**

**THOUSAND THREE HUNDRED NINETY SEVEN 00/100 (\$289,397.00) DOLLARS** conditioned upon the faithful performance and execution of the work covered by this contract according to the complete and detailed specifications and full and complete drawings, profiles and models therefore, and according to the terms and conditions of this contract, and conditioned also that the CONTRACTOR shall pay all debts incurred by said CONTRACTOR in the prosecution of such work, including those for labor and materials furnished. The CONTRACTOR further agrees to pay liquidated damages as set forth in the specifications for failure to complete the Project by the date specified.

IN WITNESS WHEREOF, the said Parties have executed these presents on the date above mentioned.

CONTRACTOR:

CITY:

\_\_\_\_\_

CITY OF MOLINE, ILLINOIS

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

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

\_\_\_\_\_

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

Approved as to form:

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

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

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

Performance Bond Attached

Certificate of Insurance Attached

**CITY OF MOLINE, IL BID TABULATION**

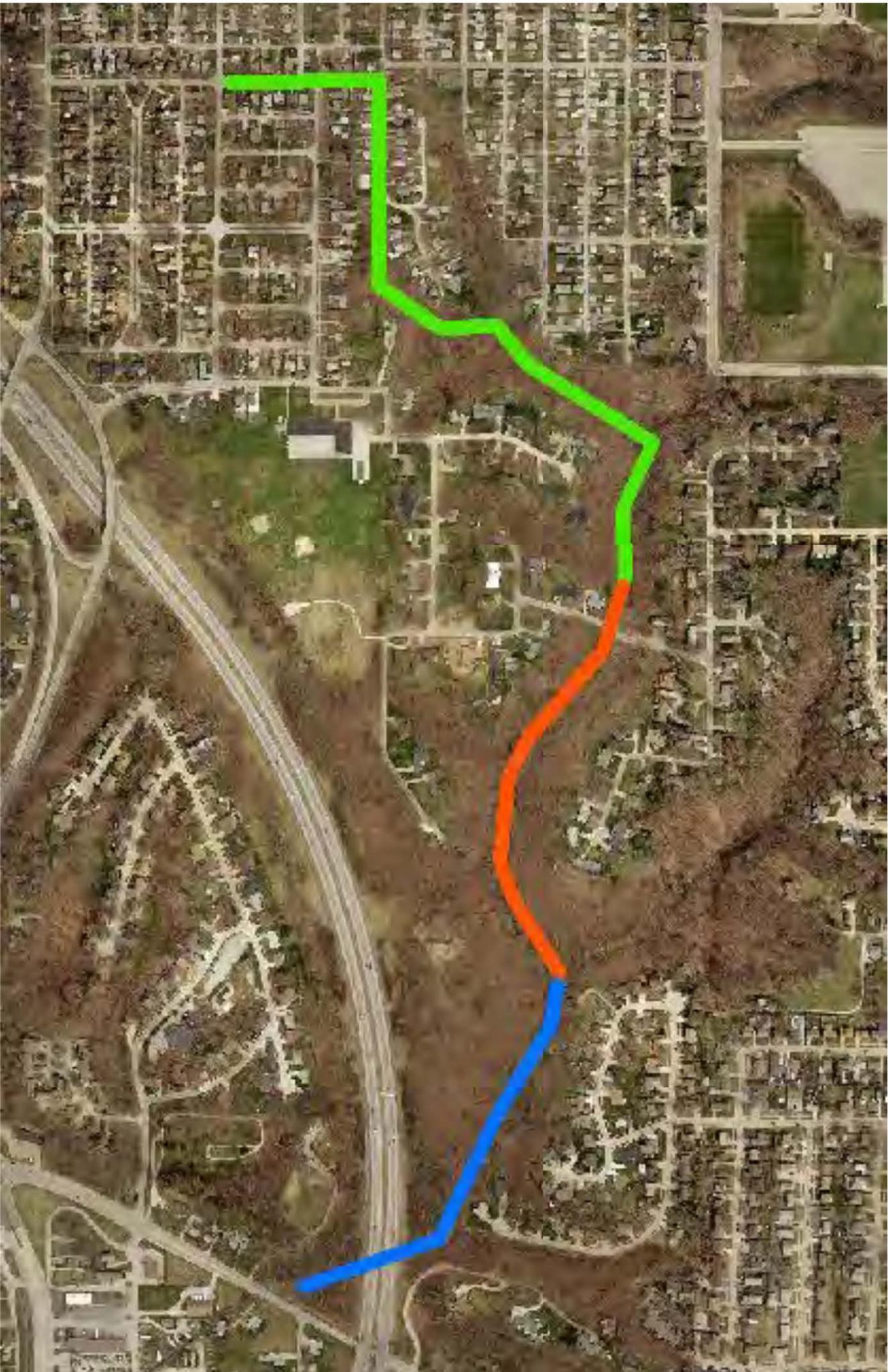
Bid Date and Time: August 30, 2016 11:00 a.m.

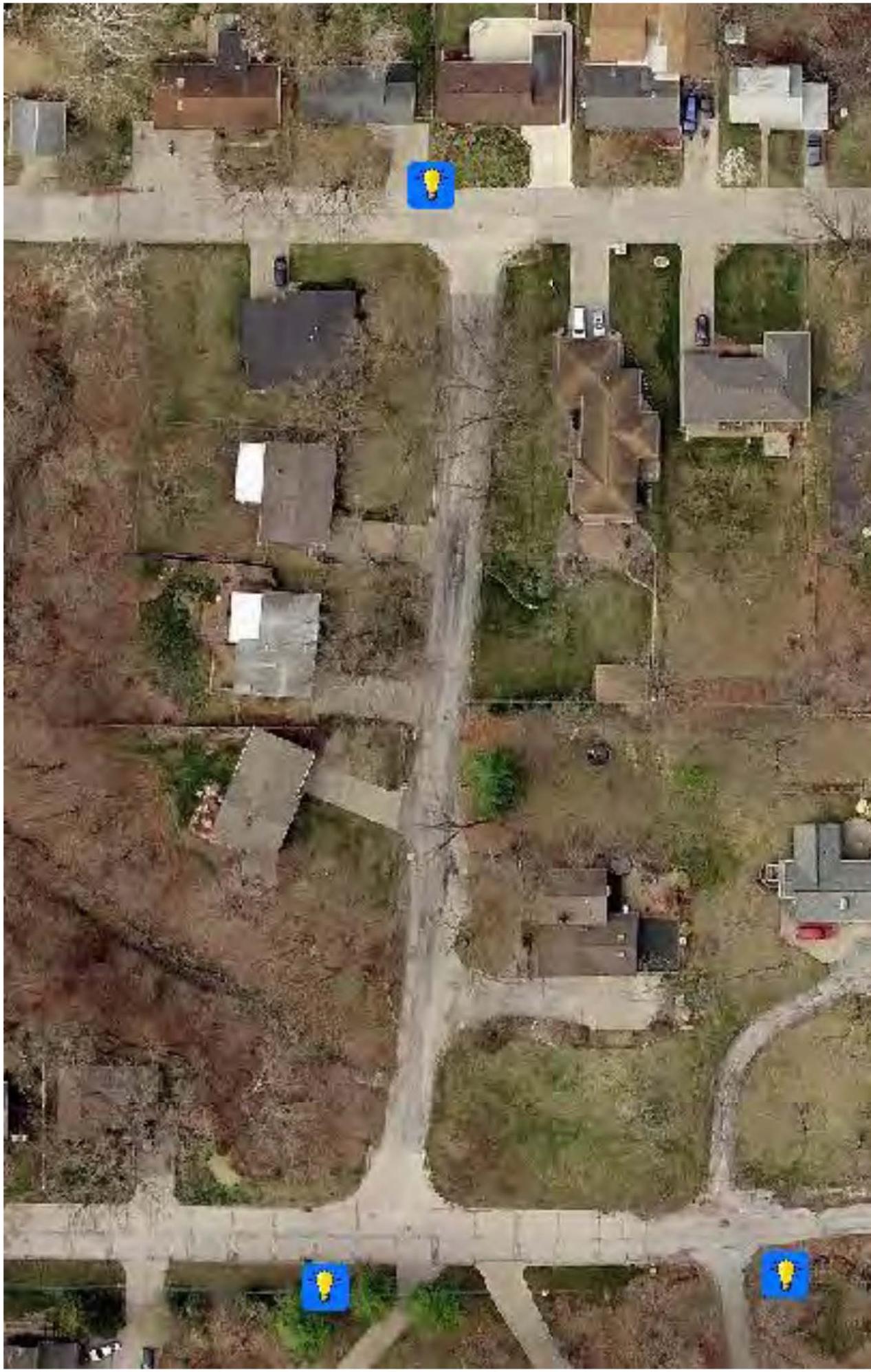
Project: 1255 - 2016 Sanitary Sewer Replacement Project

| ITEM NO. | ITEM  | APPROX QUANTITY | UNIT  | Walter D. Laud, Inc. |                     | Needham Excavating, Inc. |                     | Langman Construction, Inc. |                     |
|----------|---|-----------------|-------|----------------------|---------------------|--------------------------|---------------------|----------------------------|---------------------|
|          |   |                 |       | UNIT PRICE           | AMOUNT              | UNIT PRICE               | AMOUNT              | UNIT PRICE                 | AMOUNT              |
| 1        | TREE REMOVAL (6 TO 15 UNITS DIAMETER )                      | 460             | UNIT  | \$20.00              | \$9,200.00          | \$17.70                  | \$8,142.00          | \$20.00                    | \$9,200.00          |
| 2        | TREE REMOVAL (OVER 15 UNITS DIAMETER)                       | 884             | UNIT  | \$26.00              | \$22,984.00         | \$21.75                  | \$19,227.00         | \$20.00                    | \$17,680.00         |
| 3        | CLASS B PATCH, TYPE IV                                      | 427             | SY    | \$97.00              | \$41,419.00         | \$96.00                  | \$40,992.00         | \$100.00                   | \$42,700.00         |
| 4        | P.C.C. DRIVEWAY PAVEMENT                                    | 11              | SY    | \$78.00              | \$858.00            | \$110.50                 | \$1,215.50          | \$90.00                    | \$990.00            |
| 5        | DRIVEWAY PAVEMENT REMOVAL                                   | 11              | SY    | \$12.00              | \$132.00            | \$30.00                  | \$330.00            | \$10.00                    | \$110.00            |
| 6        | WATERMAIN, DIP, P CL 350, 6"                                | 20              | LF    | \$175.00             | \$3,500.00          | \$135.00                 | \$2,700.00          | \$115.00                   | \$2,300.00          |
| 7        | WATERMAIN, DIP, P CL 350, 8"                                | 21              | LF    | \$175.00             | \$3,675.00          | \$355.00                 | \$7,455.00          | \$125.00                   | \$2,625.00          |
| 8        | TEE, D.I., M.J., 8"X8"X6" W/8" PLUG                         | 2               | EA    | \$1,000.00           | \$2,000.00          | \$2,035.00               | \$4,070.00          | \$500.00                   | \$1,000.00          |
| 9        | 90 BEND, D.I., M.J., 6"                                     | 2               | EA    | \$400.00             | \$800.00            | \$218.00                 | \$436.00            | \$350.00                   | \$700.00            |
| 10       | VALVE AND BOX, 8"   | 1               | EA    | \$1,700.00           | \$1,700.00          | \$1,275.00               | \$1,275.00          | \$1,500.00                 | \$1,500.00          |
| 11       | VALVE AND BOX, 6"   | 1               | EA    | \$1,200.00           | \$1,200.00          | \$885.00                 | \$885.00            | \$1,250.00                 | \$1,250.00          |
| 12       | DI CAP, 6"  | 2               | EA    | \$200.00             | \$400.00            | \$100.00                 | \$200.00            | \$200.00                   | \$400.00            |
| 13       | STANDARD TESTING CONNECTION, 1"                             | 1               | EA    | \$250.00             | \$250.00            | \$580.00                 | \$580.00            | \$300.00                   | \$300.00            |
| 14       | SOLID SLEEVE, 6"  | 1               | EA    | \$300.00             | \$300.00            | \$460.00                 | \$460.00            | \$300.00                   | \$300.00            |
| 15       | TEMPORARY HYDRANT FOR TESTING                               | 1               | EA    | \$800.00             | \$800.00            | \$2,130.00               | \$2,130.00          | \$500.00                   | \$500.00            |
| 16       | SANITARY SEWER, 8" DIP, P CL 350                            | 296             | LF    | \$72.50              | \$21,460.00         | \$151.00                 | \$44,696.00         | \$95.00                    | \$28,120.00         |
| 17       | SANITARY SEWER, 12" DIP, P CL 350                           | 1454            | LF    | \$69.50              | \$101,053.00        | \$82.25                  | \$119,591.50        | \$110.00                   | \$159,940.00        |
| 18       | MANHOLE, TY. A , 4' DIA. W/TY 1 F&CL                        | 3               | EA    | \$2,800.00           | \$8,400.00          | \$4,660.00               | \$13,980.00         | \$4,500.00                 | \$13,500.00         |
| 19       | MANHOLE, TY. A, 4' DIA. W/TY 1 F&CL BOLT DOWN               | 3               | EA    | \$4,300.00           | \$12,900.00         | \$4,660.00               | \$13,980.00         | \$4,500.00                 | \$13,500.00         |
| 20       | MANHOLE, TY. A, 4' DIA. W/TY 1 F&CL BOLT DOWN W/INSIDE DROP | 3               | EA    | \$5,500.00           | \$16,500.00         | \$6,280.00               | \$18,840.00         | \$6,000.00                 | \$18,000.00         |
| 21       | MANHOLE, TY. A , 5' DIA. W/TY 1 F&CL BOLT DOWN              | 1               | EA    | \$4,800.00           | \$4,800.00          | \$5,965.00               | \$5,965.00          | \$6,500.00                 | \$6,500.00          |
| 22       | REMOVE MANOLE, SANITARY                                     | 7               | EA    | \$500.00             | \$3,500.00          | \$430.00                 | \$3,010.00          | \$500.00                   | \$3,500.00          |
| 23       | RECONNECT SANITARY SERVICE LATERAL, 6"                      | 6               | EA    | \$1,200.00           | \$7,200.00          | \$1,790.00               | \$10,740.00         | \$500.00                   | \$3,000.00          |
| 24       | SANITARY SEWER SERVICE, 6"                                  | 60              | LF    | \$45.00              | \$2,700.00          | \$167.00                 | \$10,020.00         | \$30.00                    | \$1,800.00          |
| 25       | CONNECT TO EXISTING SANITARY MANHOLE                        | 2               | EA    | \$2,000.00           | \$4,000.00          | \$990.00                 | \$1,980.00          | \$500.00                   | \$1,000.00          |
| 26       | INSTALL INSIDE DROP   | 1               | EA    | \$1,500.00           | \$1,500.00          | \$1,180.00               | \$1,180.00          | \$1,500.00                 | \$1,500.00          |
| 27       | ABANDON AND FILL SANITARY SEWER & LAMPHOLE 8"               | 61              | LF    | \$6.00               | \$366.00            | \$58.00                  | \$3,538.00          | \$20.00                    | \$1,220.00          |
| 28       | TRENCH BACKFILL   | 130             | CY    | \$15.00              | \$1,950.00          | \$14.00                  | \$1,820.00          | \$35.00                    | \$4,550.00          |
| 29       | EROSION CONTROL BLANKET                                     | 1               | L.SUM | \$7,250.00           | \$7,250.00          | \$8,730.00               | \$8,730.00          | \$3,000.00                 | \$3,000.00          |
| 30       | TURF REINFORCEMENT MAT                                      | 50              | SY    | \$12.00              | \$600.00            | \$7.50                   | \$375.00            | \$8.00                     | \$400.00            |
| 31       | TEMPORARY EROSION CONTROL SEEDING                           | 1               | L.SUM | \$2,000.00           | \$2,000.00          | \$1,265.00               | \$1,265.00          | \$500.00                   | \$500.00            |
| 32       | TRAFFIC CONTROL COMPLETE                                    | 1               | L.SUM | \$4,000.00           | \$4,000.00          | \$6,000.00               | \$6,000.00          | \$23,350.00                | \$23,350.00         |
|          | <b>TOTAL</b>  |                 |       |                      | <b>\$289,397.00</b> |                          | <b>\$355,808.00</b> |                            | <b>\$364,935.00</b> |

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

| ITEM NO. | ITEM  | APPROX QUANTITY | UNIT  | Valley Construction Company |                     | Miller Trucking & Excavating Company |                     |
|----------|---|-----------------|-------|-----------------------------|---------------------|--------------------------------------|---------------------|
|          |   |                 |       | UNIT PRICE                  | AMOUNT              | UNIT PRICE                           | AMOUNT              |
| 1        | TREE REMOVAL (6 TO 15 UNITS DIAMETER )                      | 460             | UNIT  | \$40.00                     | \$18,400.00         | \$27.00                              | \$12,420.00         |
| 2        | TREE REMOVAL (OVER 15 UNITS DIAMETER)                       | 884             | UNIT  | \$40.00                     | \$35,360.00         | \$30.00                              | \$26,520.00         |
| 3        | CLASS B PATCH, TYPE IV                                      | 427             | SY    | \$120.00                    | \$51,240.00         | \$98.00                              | \$41,846.00         |
| 4        | P.C.C. DRIVEWAY PAVEMENT                                    | 11              | SY    | \$60.00                     | \$660.00            | \$88.00                              | \$968.00            |
| 5        | DRIVEWAY PAVEMENT REMOVAL                                   | 11              | SY    | \$15.00                     | \$165.00            | \$20.00                              | \$220.00            |
| 6        | WATERMAIN, DIP, P CL 350, 6"                                | 20              | LF    | \$55.00                     | \$1,100.00          | \$225.00                             | \$4,500.00          |
| 7        | WATERMAIN, DIP, P CL 350, 8"                                | 21              | LF    | \$55.00                     | \$1,155.00          | \$300.00                             | \$6,300.00          |
| 8        | TEE, D.I., M.J., 8"X8"X6" W/8" PLUG                         | 2               | EA    | \$500.00                    | \$1,000.00          | \$450.00                             | \$900.00            |
| 9        | 90 BEND, D.I., M.J., 6"                                     | 2               | EA    | \$300.00                    | \$600.00            | \$225.00                             | \$450.00            |
| 10       | VALVE AND BOX, 8"   | 1               | EA    | \$1,400.00                  | \$1,400.00          | \$1,250.00                           | \$1,250.00          |
| 11       | VALVE AND BOX, 6"   | 1               | EA    | \$1,000.00                  | \$1,000.00          | \$1,150.00                           | \$1,150.00          |
| 12       | DI CAP, 6"  | 2               | EA    | \$150.00                    | \$300.00            | \$150.00                             | \$300.00            |
| 13       | STANDARD TESTING CONNECTION, 1"                             | 1               | EA    | \$800.00                    | \$800.00            | \$250.00                             | \$250.00            |
| 14       | SOLID SLEEVE, 6"  | 1               | EA    | \$250.00                    | \$250.00            | \$250.00                             | \$250.00            |
| 15       | TEMPORARY HYDRANT FOR TESTING                               | 1               | EA    | \$1,800.00                  | \$1,800.00          | \$1,500.00                           | \$1,500.00          |
| 16       | SANITARY SEWER, 8" DIP, P CL 350                            | 296             | LF    | \$85.00                     | \$25,160.00         | \$75.00                              | \$22,200.00         |
| 17       | SANITARY SEWER, 12" DIP, P CL 350                           | 1454            | LF    | \$93.00                     | \$135,222.00        | \$135.00                             | \$196,290.00        |
| 18       | MANHOLE, TY. A , 4' DIA. W/TY 1 F&CL                        | 3               | EA    | \$3,500.00                  | \$10,500.00         | \$2,600.00                           | \$7,800.00          |
| 19       | MANHOLE, TY. A, 4' DIA. W/TY 1 F&CL BOLT DOWN               | 3               | EA    | \$4,000.00                  | \$12,000.00         | \$4,000.00                           | \$12,000.00         |
| 20       | MANHOLE, TY. A, 4' DIA. W/TY 1 F&CL BOLT DOWN W/INSIDE DROP | 3               | EA    | \$6,000.00                  | \$18,000.00         | \$6,500.00                           | \$19,500.00         |
| 21       | MANHOLE, TY. A , 5' DIA. W/TY 1 F&CL BOLT DOWN              | 1               | EA    | \$8,000.00                  | \$8,000.00          | \$7,250.00                           | \$7,250.00          |
| 22       | REMOVE MANOLE, SANITARY                                     | 7               | EA    | \$500.00                    | \$3,500.00          | \$600.00                             | \$4,200.00          |
| 23       | RECONNECT SANITARY SERVICE LATERAL, 6"                      | 6               | EA    | \$1,300.00                  | \$7,800.00          | \$1,100.00                           | \$6,600.00          |
| 24       | SANITARY SEWER SERVICE, 6"                                  | 60              | LF    | \$70.00                     | \$4,200.00          | \$170.00                             | \$10,200.00         |
| 25       | CONNECT TO EXISTING SANITARY MANHOLE                        | 2               | EA    | \$2,300.00                  | \$4,600.00          | \$950.00                             | \$1,900.00          |
| 26       | INSTALL INSIDE DROP   | 1               | EA    | \$1,000.00                  | \$1,000.00          | \$1,450.00                           | \$1,450.00          |
| 27       | ABANDON AND FILL SANITARY SEWER & LAMPHOLE 8"               | 61              | LF    | \$15.00                     | \$915.00            | \$20.00                              | \$1,220.00          |
| 28       | TRENCH BACKFILL   | 130             | CY    | \$30.00                     | \$3,900.00          | \$25.00                              | \$3,250.00          |
| 29       | EROSION CONTROL BLANKET                                     | 1               | L.SUM | \$11,000.00                 | \$11,000.00         | \$1,500.00                           | \$1,500.00          |
| 30       | TURF REINFORCEMENT MAT                                      | 50              | SY    | \$20.00                     | \$1,000.00          | \$8.00                               | \$400.00            |
| 31       | TEMPORARY EROSION CONTROL SEEDING                           | 1               | L.SUM | \$1,000.00                  | \$1,000.00          | \$500.00                             | \$500.00            |
| 32       | TRAFFIC CONTROL COMPLETE                                    | 1               | L.SUM | \$33,000.00                 | \$33,000.00         | \$15,000.00                          | \$15,000.00         |
|          | <b>TOTAL</b>  |                 |       |                             | <b>\$396,027.00</b> |                                      | <b>\$410,084.00</b> |





|  |                                       |                     |   |                |                  |
|--|---------------------------------------|---------------------|---|----------------|------------------|
|  <b>Illinois Department of Transportation</b><br><b>Local Public Agency Agreement for Federal Participation</b> | Local Public Agency<br>City of Moline | State Contract<br>X | Day Labor                               | Local Contract | RR Force Account |
|  | Section<br>15-00264-00-BR             | Fund Type<br>ITEP   | ITEP, SRTS, or HSIP Number(s)<br>231013 |                |                  |
| Construction   |                                       | Engineering         |   | Right-of-Way   |                  |
| Job Number   | Project Number                        | Job Number          | Project Number                          | Job Number     | Project Number   |
| C-92-095-16  | TE-00D2(014)                          |                     |   |                |                  |

This Agreement is made and entered into between the above local public agency, hereinafter referred to as the "LPA", and the State of Illinois, acting by and through its Department of Transportation, hereinafter referred to as "STATE". The STATE and LPA jointly propose to improve the designated location as described below. The improvement shall be constructed in accordance with plans prepared by, or on behalf of the LPA, approved by the STATE and the STATE's policies and procedures approved and/or required by the Federal Highway Administration, hereinafter referred to as "FHWA".

**Location**

Local Name Sylvan Island Trail Route UNK 0000 Length 0.04 mi  
Termini Over Sylvan Slough

Current Jurisdiction City of Moline TIP Number MO-17-02 Existing Structure No N/A

**Project Description**

Construct pedestrian bridge over Sylvan Slough

**Division of Cost**

| Type of Work                   | ITEP                | %     | %   | LPA               | %       | Total               |
|--------------------------------|---------------------|-------|-----|-------------------|---------|---------------------|
| Participating Construction     | 1,137,600           | ( * ) | ( ) | 284,400           | ( BAL ) | 1,422,000           |
| Non-Participating Construction |                     | ( )   | ( ) |                   | ( )     |                     |
| Preliminary Engineering        |                     | ( )   | ( ) |                   | ( )     |                     |
| Construction Engineering       |                     | ( )   | ( ) |                   | ( )     |                     |
| Right of Way                   |                     | ( )   | ( ) |                   | ( )     |                     |
| Railroads                      |                     | ( )   | ( ) |                   | ( )     |                     |
| Utilities                      |                     | ( )   | ( ) |                   | ( )     |                     |
| Materials                      |                     |       |     |                   |         |                     |
| <b>TOTAL</b>                   | <b>\$ 1,137,600</b> |       |     | <b>\$ 284,400</b> |         | <b>\$ 1,422,000</b> |

\* 80% ITEP funds NTE \$1,137,600

**NOTE:** The costs shown in the Division of Cost table are approximate and subject to change. The final LPA share is dependent on the final Federal and State participation. The actual costs will be used in the final division of cost for billing and reimbursement.

If funding is not a percentage of the total, place an asterisk in the space provided for the percentage and explain above.

**Local Public Agency Appropriation**

By execution of this Agreement, the LPA attests that sufficient moneys have been appropriated or reserved by resolution or ordinance to fund the LPA share of project costs. A copy of the authorizing resolution or ordinance is attached as an addendum (required for State-let contracts only)

**Method of Financing (State Contract Work Only)**

METHOD A---Lump Sum (80% of LPA Obligation) \_\_\_\_\_  
METHOD B--- \_\_\_\_\_ Monthly Payments of \_\_\_\_\_ due by the \_\_\_\_\_ of each successive month.  
METHOD C---LPA's Share BALANCE divided by estimated total cost multiplied by actual progress payment.

(See page two for details of the above methods and the financing of Day Labor and Local Contracts)

## Agreement Provisions

### THE LPA AGREES:

- (1) To acquire in its name, or in the name of the **STATE** if on the **STATE** highway system, all right-of-way necessary for this project in accordance with the requirements of Titles II and III of the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, and established State policies and procedures. Prior to advertising for bids, the **LPA** shall certify to the **STATE** that all requirements of Titles II and III of said Uniform Act have been satisfied. The disposition of encroachments, if any, will be cooperatively determined by representatives of the **LPA**, and the **STATE** and the **FHWA**, if required.
- (2) To provide for all utility adjustments, and to regulate the use of the right-of-way of this improvement by utilities, public and private, in accordance with the current Utility Accommodation Policy for Local Agency Highway and Street Systems.
- (3) To provide for surveys and the preparation of plans for the proposed improvement and engineering supervision during construction of the proposed improvement.
- (4) To retain jurisdiction of the completed improvement unless specified otherwise by addendum (addendum should be accompanied by a location map). If the improvement location is currently under road district jurisdiction, an addendum is required.
- (5) To maintain or cause to be maintained, in a manner satisfactory to the **STATE** and the **FHWA**, the completed improvement, or that portion of the completed improvement within its jurisdiction as established by addendum referred to in item 4 above.
- (6) To comply with all applicable Executive Orders and Federal Highway Acts pursuant to the Equal Employment Opportunity and Nondiscrimination Regulations required by the U.S. Department of Transportation.
- (7) To maintain, for a minimum of 3 years after final project close-out by the **STATE**, adequate books, records and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with the contract; the contract and all books, records and supporting documents related to the contract shall be available for review and audit by the Auditor General and the department; and the **LPA** agrees to cooperate fully with any audit conducted by the Auditor General and the **STATE**; and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the **STATE** for the recovery of any funds paid by the **STATE** under the contract for which adequate books, records and supporting documentation are not available to support their purported disbursement.
- (8) To provide if required, for the improvement of any railroad-highway grade crossing and rail crossing protection within the limits of the proposed improvement.
- (9) To comply with Federal requirements or possibly lose (partial or total) Federal participation as determined by the **FHWA**.
- (10) (State Contracts Only) That the method of payment designated on page one will be as follows:
  - Method A - Lump Sum Payment. Upon award of the contract for this improvement, the **LPA** will pay to the **STATE** within thirty (30) calendar days of billing, in lump sum, an amount equal to 80% of the **LPA**'s estimated obligation incurred under this Agreement. The **LPA** will pay to the **STATE** the remainder of the **LPA**'s obligation (including any nonparticipating costs) within thirty (30) calendar days of billing in a lump sum, upon completion of the project based on final costs.
  - Method B - Monthly Payments. Upon award of the contract for this improvement, the **LPA** will pay to the **STATE**, a specified amount each month for an estimated period of months, or until 80% of the **LPA**'s estimated obligation under the provisions of the Agreement has been paid, and will pay to the **STATE** the remainder of the **LPA**'s obligation (including any nonparticipating costs) in a lump sum, upon completion of the project based upon final costs.
  - Method C - Progress Payments. Upon receipt of the contractor's first and subsequent progressive bills for this improvement, the **LPA** will pay to the **STATE** within thirty (30) calendar days of receipt, an amount equal to the **LPA**'s share of the construction cost divided by the estimated total cost, multiplied by the actual payment (appropriately adjusted for nonparticipating costs) made to the contractor until the entire obligation incurred under this Agreement has been paid.

Failure to remit the payment(s) in a timely manner as required under Methods A, B, or C, shall allow the **STATE** to internally offset, reduce, or deduct the arrearage from any payment or reimbursement due or about to become due and payable from the **STATE** to **LPA** on this or any other contract. The **STATE**, at its sole option, upon notice to the **LPA**, may place the debt into the Illinois Comptroller's Offset System (15 ILCS 405/10.05) or take such other and further action as may be required to recover the debt.
- (11) (Local Contracts or Day Labor) To provide or cause to be provided all of the initial funding, equipment, labor, material and services necessary to construct the complete project.
- (12) (Preliminary Engineering) In the event that right-of-way acquisition for, or actual construction of, the project for which this preliminary engineering is undertaken with Federal participation is not started by the close of the tenth fiscal year following the fiscal year in which the project is federally authorized, the **LPA** will repay the **STATE** any Federal funds received under the terms of this Agreement.
- (13) (Right-of-Way Acquisition) In the event that the actual construction of the project on this right-of-way is not undertaken by the close of the twentieth fiscal year following the fiscal year in which the project is federally authorized, the **LPA** will repay the **STATE** any Federal Funds received under the terms of this Agreement.

- (14) (Railroad Related Work Only) The estimates and general layout plans for at-grade crossing improvements should be forwarded to the Rail Safety and Project Engineer, Room 204, Illinois Department of Transportation, 2300 South Dirksen Parkway, Springfield, Illinois, 62764. Approval of the estimates and general layout plans should be obtained prior to the commencement of railroad related work. All railroad related work is also subject to approval by the Illinois Commerce Commission (ICC). Final inspection for railroad related work should be coordinated through appropriate IDOT District Bureau of Local Roads and Streets office.
- Plans and preemption times for signal related work that will be interconnected with traffic signals shall be submitted to the ICC for review and approval prior to the commencement of work. Signal related work involving interconnects with state maintained traffic signals should also be coordinated with the IDOT's District Bureau of Operations.
- The **LPA** is responsible for the payment of the railroad related expenses in accordance with the **LPA**/railroad agreement prior to requesting reimbursement from IDOT. Requests for reimbursement should be sent to the appropriate IDOT District Bureau of Local Roads and Streets office.
- Engineer's Payment Estimates shall be in accordance with the Division of Cost on page one.
- (15) And certifies to the best of its knowledge and belief its officials:
- (a) are not presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from covered transactions by any Federal department or agency;
  - (b) have not within a three-year period preceding this Agreement been convicted of or had a civil judgment rendered against them for commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, State or local) transaction or contract under a public transaction; violation of Federal or State antitrust statutes or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements receiving stolen property;
  - (c) are not presently indicted for or otherwise criminally or civilly charged by a governmental entity (Federal, State, local) with commission of any of the offenses enumerated in item (b) of this certification; and
  - (d) have not within a three-year period preceding the Agreement had one or more public transactions (Federal, State, local) terminated for cause or default.
- (16) To include the certifications, listed in item 15 above, and all other certifications required by State statutes, in every contract, including procurement of materials and leases of equipment.
- (17) (State Contracts) That execution of this agreement constitutes the **LPA's** concurrence in the award of the construction contract to the responsible low bidder as determined by the **STATE**.
- (18) That for agreements exceeding \$100,000 in federal funds, execution of this Agreement constitutes the **LPA's** certification that:
- (a) No Federal appropriated funds have been paid or will be paid, by or on behalf of the undersigned, to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or any employee of a Member of Congress in connection with the awarding of any Federal contract, the making of any cooperative agreement, and the extension, continuation, renewal, amendment or modification of any Federal contract, grant, loan or cooperative agreement;
  - (b) If any funds other than Federal appropriated funds have been paid or will be paid to any person for influencing or attempting to influence an officer or employee of any agency, a Member of Congress, an officer or employee of Congress or an employee of a Member of Congress, in connection with this Federal contract, grant, loan or cooperative agreement, the undersigned shall complete and submit Standard Form-LLL, "Disclosure Form to Report Lobbying", in accordance with its instructions;
  - (c) The **LPA** shall require that the language of this certification be included in the award documents for all subawards at all tiers (including subcontracts, subgrants and contracts under grants, loans and cooperative agreements) and that all subrecipients shall certify and disclose accordingly.
- (19) To regulate parking and traffic in accordance with the approved project report.
- (20) To regulate encroachments on public right-of-way in accordance with current Illinois Compiled Statutes.
- (21) To regulate the discharge of sanitary sewage into any storm water drainage system constructed with this improvement in accordance with current Illinois Compiled Statutes.
- (22) To complete this phase of the project within three (3) years from the date this agreement is approved by the **STATE** if this portion of the project described in the Project Description does not exceed \$1,000,000 (five years if the project costs exceed \$1,000,000).
- (23) To comply with the federal Financial Integrity Review and Evaluation (FIRE) program, which requires States and subrecipients to justify continued federal funding on inactive projects. 23 CFR 630.106(a)(5) defines an inactive project as a project which no expenditures have been charged against Federal funds for the past twelve (12) months.
- To keep projects active, invoicing must occur a minimum of one time within any given twelve (12) month period. However, to ensure adequate processing time, the first invoice shall be submitted to the **STATE** within six (6) months of the federal authorization date. Subsequent invoices will be submitted in intervals not to exceed six (6) months.
- (24) The **LPA** will submit supporting documentation with each request for reimbursement from the **STATE**. Supporting documentation is defined as verification of payment, certified time sheets or summaries, vendor invoices, vendor receipts, cost plus fix fee invoice, progress report, and personnel and direct cost summaries and other documentation supporting the requested reimbursement amount (Form BLRS 05621 should be used for consultant invoicing purposes). **LPA** invoice requests to the **STATE** will be submitted with sequential invoice numbers by project.

The **LPA** will submit to the **STATE** a complete and detailed final invoice with applicable supporting documentation of all incurred costs, less previous payments, no later than twelve (12) months from the date of completion of this phase of the improvement or from the date of the previous invoice, which ever occurs first. If a final invoice is not received within this time frame, the most recent invoice may be considered the final invoice and the obligation of the funds closed.

- (25) The **LPA** shall provide the final report to the appropriate **STATE** district within twelve months of the physical completion date of the project so that the report may be audited and approved for payment. If the deadline cannot be met, a written explanation must be provided to the district prior to the end of the twelve months documenting the reason and the new anticipated date of completion. If the extended deadline is not met, this process must be repeated until the project is closed. Failure to follow this process may result in the immediate close-out of the project and loss of further funding.
- (26) (Single Audit Requirements) That if the **LPA** expends \$750,000 or more a year in federal financial assistance they shall have an audit made in accordance with 2 CFR 200. **LPAs** expending less than \$750,000 a year shall be exempt from compliance. A copy of the audit report must be submitted to the **STATE** (Office of Finance and Administration, Audit Coordination Section, 2300 South Dirksen Parkway, Springfield, Illinois, 62764), within 30 days after the completion of the audit, but no later than one year after the end of the **LPA's** fiscal year. The CFDA number for all highway planning and construction activities is 20.205.

Federal funds utilized for construction activities on projects let and awarded by the **STATE** (denoted by an "X" in the State Contract field at the top of page 1) are not included in a **LPA's** calculation of federal funds expended by the **LPA** for Single Audit purposes.

- (27) That the **LPA** is required to register with the System for Award Management or SAM (formerly Central Contractor Registration (CCR)), which is a web-enabled government-wide application that collects, validates, stores, and disseminates business information about the federal government's trading partners in support of the contract award and the electronic payment processes. To register or renew, please use the following website: <https://www.sam.gov/portal/public/SAM/#1>.

The **LPA** is also required to obtain a Dun & Bradstreet (D&B) D-U-N-S Number. This is a unique nine digit number required to identify subrecipients of federal funding. A D-U-N-S number can be obtained at the following website: <http://fedgov.dnb.com/webform>.

#### **THE STATE AGREES:**

- (1) To provide such guidance, assistance and supervision and to monitor and perform audits to the extent necessary to assure validity of the **LPA's** certification of compliance with Titles II and III requirements.
- (2) (State Contracts) To receive bids for the construction of the proposed improvement when the plans have been approved by the **STATE** (and **FHWA**, if required) and to award a contract for construction of the proposed improvement, after receipt of a satisfactory bid.
- (3) (Day Labor) To authorize the **LPA** to proceed with the construction of the improvement when Agreed Unit Prices are approved, and to reimburse the **LPA** for that portion of the cost payable from Federal and/or State funds based on the Agreed Unit Prices and Engineer's Payment Estimates in accordance with the Division of Cost on page one.
- (4) (Local Contracts) For agreements with Federal and/or State funds in engineering, right-of-way, utility work and/or construction work:
- (a) To reimburse the **LPA** for the Federal and/or State share on the basis of periodic billings, provided said billings contain sufficient cost information and show evidence of payment by the **LPA**;
- (b) To provide independent assurance sampling, to furnish off-site material inspection and testing at sources normally visited by **STATE** inspectors of steel, cement, aggregate, structural steel and other materials customarily tested by the **STATE**.

#### **IT IS MUTUALLY AGREED:**

- (1) Construction of the project will utilize domestic steel as required by Section 106.01 of the current edition of the Standard Specifications for Road and Bridge Construction and federal Buy America provisions.
- (2) That this Agreement and the covenants contained herein shall become null and void in the event that the **FHWA** does not approve the proposed improvement for Federal-aid participation within one (1) year of the date of execution of this Agreement.
- (3) This Agreement shall be binding upon the parties, their successors and assigns.
- (4) For contracts awarded by the **LPA**, the **LPA** shall not discriminate on the basis of race, color, national origin or sex in the award and performance of any USDOT – assisted contract or in the administration of its DBE program or the requirements of 49 CFR part 26. The **LPA** shall take all necessary and reasonable steps under 49 CFR part 26 to ensure nondiscrimination in the award and administration of USDOT – assisted contracts. The **LPA's** DBE program, as required by 49 CFR part 26 and as approved by USDOT, is incorporated by reference in this Agreement. Upon notification to the recipient of its failure to carry out its approved program, the **STATE** may impose sanctions as provided for under part 26 and may, in appropriate cases, refer the matter for

enforcement under 18 U.S.C. 1001 and/or the Program Fraud Civil Remedies Act of 1986 (31U.S.C. 3801 et seq.). In the absence of a USDOT – approved LPA DBE Program or on State awarded contracts, this Agreement shall be administered under the provisions of the STATE's USDOT approved Disadvantaged Business Enterprise Program.

- (5) In cases where the STATE is reimbursing the LPA, obligations of the STATE shall cease immediately without penalty or further payment being required if, in any fiscal year, the Illinois General Assembly or applicable Federal Funding source fails to appropriate or otherwise make available funds for the work contemplated herein.
- (6) All projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement and/or amendment shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) unless the provisions of that Act exempt its application.

**ADDENDA**

Additional information and/or stipulations are hereby attached and identified below as being a part of this Agreement.

Number 1- Location Map, Number 2 – LPA Appropriation Resolution

(Insert Addendum numbers and titles as applicable)

The LPA further agrees, as a condition of payment, that it accepts and will comply with the applicable provisions set forth in this Agreement and all Addenda indicated above.

**APPROVED**

Local Public Agency

**APPROVED**

State of Illinois  
Department of Transportation

\_\_\_\_\_  
Name of Official (Print or Type Name)

\_\_\_\_\_  
Randall S. Blankenhorn, Secretary Date

\_\_\_\_\_  
Title (County Board Chairperson/Mayor/Village President/etc.)

By:  
\_\_\_\_\_  
Aaron A. Weatherholt, Deputy Director of Highways Date

\_\_\_\_\_  
(Signature) Date

\_\_\_\_\_  
Omer Osman, Director of Highways/Chief Engineer Date

The above signature certifies the agency's TIN number is 36-6005999 conducting business as a Governmental Entity.

\_\_\_\_\_  
William M. Barnes, Chief Counsel Date

DUNS Number 093869170

\_\_\_\_\_  
Jeff Heck, Chief Fiscal Officer (CFO) Date

**NOTE:** If the LPA signature is by an APPOINTED official, a resolution authorizing said appointed official to execute this agreement is required.

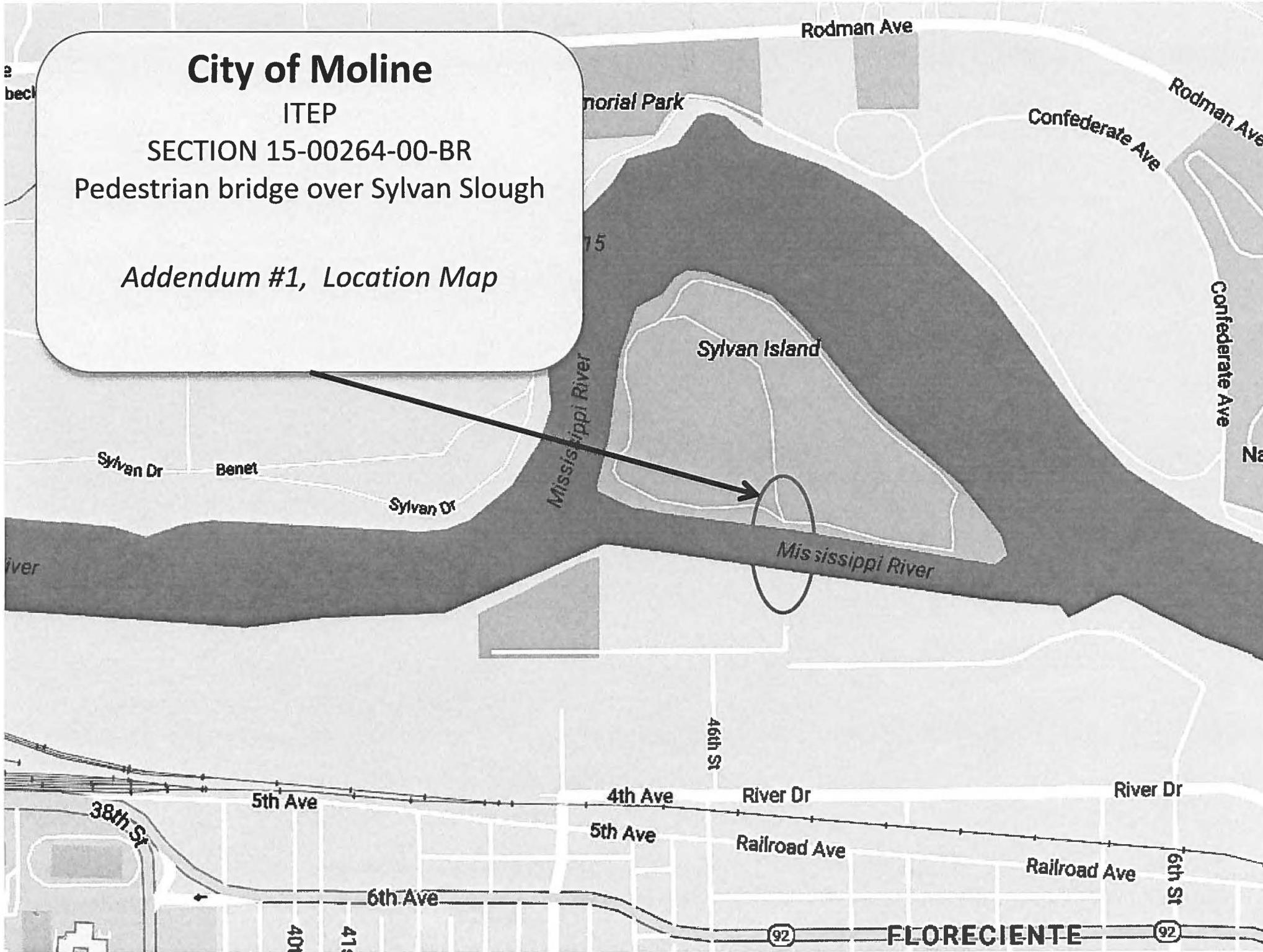
# City of Moline

ITEP

SECTION 15-00264-00-BR

Pedestrian bridge over Sylvan Slough

*Addendum #1, Location Map*





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 |
|----------------------|-------|------|----|
| Sylvan Island Bridge |       |      |    |
|                      |       |      |    |
|                      |       |      |    |
|                      |       |      |    |
|                      |       |      |    |

BE IT FURTHER RESOLVED,

1. That the proposed improvement shall consist of replacement of the existing Sylvan Island Pedestrian Bridge  
with a new structure

\_\_\_\_\_ and shall be constructed \_\_\_\_\_ wide  
and be designated as Section 15-00264-00-BR

2. That there is hereby appropriated the (additional  Yes  No) sum of two hundred eighty four thousand  
four hundred Dollars ( \$284,400.00 ) 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 Koranda 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 September 20, 2016  
Date  
IN TESTIMONY WHEREOF, I have hereunto set my hand and seal this  
\_\_\_\_\_ day of \_\_\_\_\_  
(SEAL)  
\_\_\_\_\_ City, Town, or Village Clerk