

Committee-of-the-Whole Agenda

6:30 p.m.

Tuesday, October 25, 2016

Oath of Office

Oath of office for permanent appointment as a Firefighter/Paramedic to Sawyer Claus effective October 5, 2016.

Questions on the Agenda

Agenda Items

- 1. Amendment to Chapter 20** (Amy Keys, Deputy City Attorney)
- 2. Intergovernmental Agreement** (Amy Keys, Deputy City Attorney)
- 3. Benefits Administrator Agreement** (Alison Fleming, Human Resources Manager)
- 4. SFR Grant Application** (Jeff Anderson, City Planner)
- 5. Uniform Application for Grant** (Jeff Anderson, City Planner)
- 6. Railroad Amendment** (Ray Forsythe, Planning & Development Director)
- 7. Development Agreement** (Ray Forsythe, Planning & Development Director)

2017 Budget Work Session Continued

- 8. Council Revisions to Budget, if any**
- 9. Approval of 2016 Property Tax Levies**
- 10. Approval of the 2017 Budget**
- 11. Other**
- 12. Public Comment**
- 13. Executive Session – If necessary**

Explanation

- 1. An Ordinance amending Chapter 20, “MOTOR VEHICLES AND TRAFFIC,” of the Moline Code of Ordinances, Section 20-5102, “IMPROPER PARKING PURPOSES,” by enacting one new subsection (d) pertaining to parking of vehicles with expired registrations; and Section 20-5120(b)(2), by repealing subsection (b)(2) in its entirety and enacting in lieu thereof one new subsection (b)(2) dealing with the same subject matter.** (Amy Keys, Deputy City Attorney)

Explanation: City staff seeks to amend Chapter 20, “MOTOR VEHICLES AND TRAFFIC,” of the Moline Code of Ordinances concerning the parking of any motor vehicle with an expired registration. Said amendment will provide the City of Moline with an additional enforcement method. Said amendment will align the Moline Code of Ordinances with the applicable state laws.

Staff Recommendation: Approval
Fiscal Impact: N/A
Public Notice/Recording: Pamphlet Publication
Goals Impacted: A Great Place to Live

- 2. A Resolution authorizing the Mayor and City Clerk to execute an Intergovernmental Agreement with the City of East Moline, Illinois; and authorizing City staff to do all things necessary to effectuate the terms of the Agreement contained therein.** (Amy Keys, Deputy City Attorney)

Explanation: The City of Moline (“City”) is a home rule unit pursuant to Article VII, Section 6, of the Illinois Constitution of 1970. The City of East Moline “East Moline” is a non-home rule unit. There is a real estate development occurring along the City and East Moline border located at 5320 22nd Avenue, Moline, Illinois. Providing municipal services to said real estate is complicated and made difficult by its location on the border of the two cities. City staff and East Moline have determined that it would be in the best interest of the property owner for the City and East Moline to cooperate in providing certain municipal services to said real estate. City staff and East Moline wish to participate in this Intergovernmental Agreement for the following public purposes, which purposes shall include, without limitation, the development of the community and the general business base, the general public benefit, including the improvement of the health, safety and welfare of the City and its residents. Specifically, the City of Moline will provide the water utility service to the property, and the City of East Moline will provide the sewer utility service. The actions of the City and East Moline are intended to provide an impetus to economic development. All aspects of the Intergovernmental Agreement are designed and intended to enhance the public health, safety and welfare, as related to both cities and their residents. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: N/A
Public Notice/Recording: N/A
Goals Impacted: Improved City Infrastructure & Facilities, Strong Local Economy

- 3. A Resolution authorizing the Mayor and City Clerk to execute an agreement with UMR, Inc. (UMR) to provide administrative services and reinsurance for medical and prescription drug benefit claims and administrative services for dental, vision and flexible benefit claims for a three year period commencing on January 1, 2017.** (Alison Fleming, Human Resources Manager)

Explanation: A request for proposals was published, and UMR provided the most advantageous proposal that complied with all of the City’s labor agreements. UMR will provide claims administrative services and reinsurance for the City’s medical and prescription drug benefits plans, as well as claims administrative services for dental, vision and flexible benefits plans. A final contract will be presented for City Council approval by the end of the year after the implementation process has been completed to determine whether all fees and services will be applicable and/or necessary. However, rates have been negotiated and expected

fixed costs for 2017, including reinsurance, increased by 8.98%. UMR has provided a rate guarantee for administrative services for years 1 and 2 and a 2.5% increase in year 3.

Staff Recommendation: Approval
Fiscal Impact: Budgeted in the Health Fund
Public Notice/Recording: N/A
Goals Impacted: Financially Strong City

4. A Resolution Supporting a grant application to the Illinois Housing Development Authority for the Illinois Affordable Housing Trust Fund Single Family Rehabilitation Program in the amount of \$920,000; and Authorizing the City and staff to do any and all things necessary to apply for the Illinois Affordable Housing Trust Fund Single Family Rehabilitation Program Grant. (Jeff Anderson, City Planner)

Explanation: The City has a list of 94 households waiting to participate in the Community Housing Services Program, and 104 applications were also mailed out to prospective applicants to Program this summer, which demonstrates need for additional resources for owner-occupied housing rehabilitation in the City. The Illinois Affordable Housing Trust Fund Single Family Rehabilitation Program (SFR) will assist low-income and very low-income homeowners with repairs to their homes and will also remove health and safety hazards by repairing replacing costly maintenance items. The City is requesting \$920,000 for the SFR. Each eligible property would receive assistance up to a maximum of \$45,000. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: +\$920,000
Public Notice/Recording: N/A
Goals Impacted: A Great Place to Live

5. A Resolution authorizing the Mayor to sign a Uniform Application for State Grant Assistance for a grant request to the Illinois Department of Transportation to fund the Avenue of the Cities Corridor Plan project. (Jeff Anderson, City Planner)

Explanation: In an effort to further the City Council's priority of developing an Avenue of the Cities Corridor Plan, staff previously submitted a request for funding to Illinois Department of Transportation (IDOT) for the Avenue of the Cities Corridor Plan project. Staff was recently made aware by IDOT that the project is in IDOT's current work plan, but as the State is implementing the new Grant Accountability and Transparency Act (GATA) there are forms that the City is obliged to complete and submit in order to be formally considered for project funding. One of these forms is the above-mentioned Uniform Application for State Grant Assistance, which requires an authorized individual to sign the form on behalf of the City. Approval of a Resolution related to this request would authorize the Mayor to sign said form and allow IDOT to prepare an Intergovernmental Grant Agreement for the City Council's consideration. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: Potential grant funds to address a City Council Priority
Public Notice/Recording: N/A
Goals Impacted: Strong Local Economy, Great Place to Live

6. A Resolution affirming Mayor's signature to the First Amendment to Lease Agreement between the City of Moline and Iowa Interstate Railroad, Ltd, the successor in interest to Heartland Rail Corporation. (Ray Forsythe, Planning & Development Director)

Explanation: On November 1, 1997, the City entered into a Lease Agreement with Heartland Rail Corporation, its successor now being Iowa Interstate Railroad, Ltd which was set to expire on October 31, 2022. On November 13, 2013 the City also entered into a Development Agreement with Moline Promenade Investors, LLC for development of the Multi-Modal Station. In order to fulfill the City’s responsibilities under the Development Agreement, an extension of the Lease Agreement with Iowa Interstate Railroad is necessary. This item will also appear on the City Council Agenda on October 25, 2016, under “Items Not on Consent” Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: Lease payments as follows:
2016 \$15,210
2017-2020 \$18,000
2021-2025 \$20,000
2026-2030 \$23,000
2031-2035 \$26,000
2036-2040 \$29,000

Public Notice/Recording: N/A
Goals Impacted: Strong Local Economy, Great Place to Live

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- 7. A Special Ordinance authorizing the Mayor and City Clerk to execute a Development and Economic Incentive Agreement between the City of Moline and Divvymed, LLC, d/b/a divvyDOSE for the development 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: Divvymed, LLC, d/b/a divvyDOSE seeks to enter into a Development and Economic Incentive Agreement with the City to facilitate redevelopment of the property located at 3800 Avenue of the Cities (Property). The Developer is the contract lessee of the Property and is intending to occupy between 40,000–79,860 sq ft of the available 90,455 sq ft of the office building. The City wishes to support the redevelopment by granting certain incentives. Additional documentation attached.

Staff Recommendation: Approval
Fiscal Impact: N/A
Public Notice/Recording: N/A
Goals Impacted: Financially Strong City; A Great Place to Live

INTERGOVERNMENTAL AGREEMENT

THIS AGREEMENT, made and entered into this ^{4th} 19 day of September, 2016, by and between the City of East Moline, Illinois, a municipal corporation, hereinafter referred to as "East Moline", and City of Moline, Illinois, a municipal corporation, hereinafter referred to as "Moline".

RECITALS

WHEREAS, the City of Moline is a home rule unit pursuant to Article VII, Section 6 of the Illinois Constitution of 1970; and

WHEREAS, the City of East Moline is a non-home rule unit; and

WHEREAS, there is a real estate development occurring along the Moline and East Moline border located at 5320 22nd Ave. Moline, Illinois; and

WHEREAS, providing municipal services to said real estate is complicated and made difficult by its location on the border of the two cities; and

WHEREAS, the City Councils for East Moline and for Moline have determined that it would be in the best interest of the property owner for East Moline and Moline to cooperate in providing certain municipal services to said real estate, and

WHEREAS, intergovernmental cooperation between units of local government to contract, further combine, or transfer a lawful power or function in any manner not prohibited by law or ordinance is authorized by Article VII, Section 10 of the Illinois Constitution of 1970; and

WHEREAS, the Illinois General Assembly, in order to implement Article VI, Section 10 of the Illinois Constitution of 1970, adopted the Intergovernmental Cooperation Act (501 ILCS 605/1 et seq.); and

WHEREAS, the Cities wish to participate in this Intergovernmental Agreement for the following public purposes, which purposes shall include, without limitation, the development of the community and the general business base, the general public benefit, including the improvement of the health, safety and welfare of the City and its residents; and

WHEREAS, the action of the cities herein is intended to provide an impetus to economic development; and

WHEREAS, all aspects of this Agreement are designed and intended to enhance the public health, safety, and welfare, as related to the Cities and its' residents.

NOW, THEREFORE, in the spirit of comity, and pursuant to the appropriate constitutional and statutory provisions:

I. Purpose and Objectives: The property located at 5320 22nd Avenue and legally described in Exhibit "A", which is attached hereto and incorporated herein by reference, is within the boundary of the City of Moline (hereinafter referred to as "5320 22nd Ave.") but the east property line is the common boundary between Moline and East Moline. Having the shared border makes it such that provision of municipal services cannot efficiently honor the political boundary. To efficiently provide service, Moline and East Moline have determined that the provision of sewer and water facilities (hereinafter referred to as "municipal services") to 5320 22nd Ave. should be provided in the manner hereinafter set forth.

Therefore, the main purpose and objective of this agreement is to provide a method for providing municipal services according to distinct geographical unit rather than distinct political units and to provide for the provision of such municipal services.

II. Term of Agreement: The term of this agreement shall commence on the date hereinabove set forth and continue in full force and effect indefinitely unless terminated by either of the parties hereto by giving at least one (1) years notice, in writing, to the other party of its intent to terminate this Agreement.

III. Water Service: Moline agrees to provide water utility to 5320 22nd Ave. and shall do so pursuant to all applicable federal and state laws and regulations, and city ordinances.

IV. Sewer Service:

A. East Moline agrees to provide sewer utility service to 5320 22nd Avenue, Moline, Illinois and shall do so pursuant to all applicable federal and state laws and regulations, and pursuant to East Moline city ordinances.

B. The City of Moline grants a license to East Moline for use of Moline right of way for installation, operation, and maintenance of the sewer utility mains, lateral lines, facilities, and all appurtenances thereto, which area is more particularly described as:

All of that part of the right of way of 22nd Avenue lying northerly of the existing pavement of said 22nd Avenue; bounded on the east by the east line of the property located at 5320 22nd Avenue, Moline, Illinois, extended northerly; and bounded on the west by west line of the property located at 5320 22nd Avenue, Moline, Illinois, extended northerly.

For reference, the property located 5320 22nd Avenue, Moline, Illinois is as described in a deed recorded as Document No. 2015-21758 at the office of the Recorder for Rock Island County, Illinois, and as described in Exhibit "A" attached to this Agreement.

C. East Moline, as owner of the sewer utility mains, facilities, and appurtenances thereto and collecting the revenue from the usage thereof shall have the responsibility to operate and maintain same in accordance with the following:

1. no work shall be performed within Moline's right-of-way without a permit, if required by Moline, however, no fee for such permit shall be charged or collected;
2. no permit shall be required for emergency repairs; however notification shall be made the following business day;
3. all work done within Moline's right of way shall be performed in accordance with standards for Moline's public works except for that part of the work actually done to sewer mains, facilities, laterals and appurtenances; i.e. pavement patch standards, barricading standards, lateral support standards, and other standards affecting the condition of the right of way or easements or the safety of persons using same; and
4. East Moline shall notify, in writing, the Moline Plumbing Inspector of the application for sewer connection and the parties shall require that the person making such connection maintain the connection in an uncovered state until both Moline and East Moline have approved.

D. In addition, Moline may, by giving thirty (30) days written notice, require East Moline to repair and/or correct any defective condition in same within fifteen (15) days from expiration of said written notice; in situations demanding emergency repair the period shall be shortened to five (5) business days after receipt of written notice. Failure of East Moline to repair and/or correct any defective condition within the time prescribed shall entitle Moline to make such repair or correction and bill East Moline for the actual cost of same.

E. It is the parties understanding that the Owner of 5320 22nd Avenue will be responsible for any and all maintenance of the private sewer line on its property and as said line crosses Moline right of way, and for all maintenance of the line up to the point where said private sewer line connects with the East Moline sewer manhole located on the northern side of the 22nd Avenue right of way. Moline and the owner of 5320 22nd Avenue shall enter into a licensing agreement to govern such use of right of way.

V. Sewer Billing:

A. The sewer use charge is based upon water usage and because sewer utility service is to be provided by East Moline and water utility service is to be provided by Moline, Moline shall install its water meter on the property and have the following responsibilities:

1. to read the water meter or to estimate water usage as provided for by the ordinances or rules of Moline;
2. handle the processing of, mailing of, and collecting payment on the water usage bill, along with any stormwater utility fees, and any sanitation fees; and
3. provide a statement to East Moline of Moline's most recent water reading or the estimated usage, which readings are currently done quarterly.

B. Moline will send statements of water readings or estimated usages to East Moline.

C. East Moline shall be responsible for the processing of, mailing of, and collecting payment on the sewer usage bill only.

D. East Moline may elect to purchase and install its own meter at 5320 22nd Ave. so that it may make its own meter readings. Said election shall be made in writing and shall be provided to Moline. If the election is made, then Moline's responsibilities set forth in subparagraph A of this section shall cease as of the date of receipt of said election. However, Moline will, in all instances, maintain its water meter on the property because it shall continue to provide the water utility service.

E. East Moline shall charge its rate for sewer usage under this Agreement..

VI. This agreement does not cancel, revise or reform said mutual aid agreement and shall be considered only supplemental to said mutual aid agreement.

VII. Employee status: Employees of East Moline, while engaged in the performance of the above services within the city of Moline shall continue to be employees of the city of East Moline, and the city of East Moline shall be responsible for all pay and other forms of compensation provided such employees and shall be responsible under the worker's compensation act of the state of Illinois or similar laws for any compensable injury to such employees under said act, and hereby agrees to hold Moline harmless from any claim of liability made by an employee of East Moline under said law.

VIII. Public Liability:

A. Moline agrees to hold East Moline harmless for any claim, cause of action, suit at law or equity, or other reason for liability howsoever named arising out of Moline's negligence or that of its officer, employees or agents. This provision to hold harmless for certain activities shall include the cost of investigation of, preparation for and defense against any or all claims of liability howsoever named and shall include reasonable attorney's fee.

B. East Moline agrees to hold Moline harmless for any claim, cause of action, suit at law or equity, or other reason for liability howsoever named arising out of East Moline's negligence or that of its officers, employees, agents, or contractors. This provision to hold harmless for certain activities shall include the cost of investigation of, preparation for and defense against any or all claims of liability howsoever named and shall include reasonable attorney's fee.

IX. Notice: All written notices provided for by this agreement shall be mailed postage prepaid to the following address:

Sewer Service

MOLINE
Utilities Manager
30 18th Street
Moline, IL 61265

EAST MOLINE
City Administrator
915 16th Avenue
East Moline, IL 61244

Water Service
MOLINE
Superintendent
Water Treatment Plant
30 18th Street
Moline, IL 61265

EAST MOLINE
City Administrator
915 16th Avenue
East Moline, IL 61244

In addition, a copy of such notice shall be provided to the City Administrator of East Moline, the City Administrator of Moline, and the Director of Engineering of Moline; however, proof of receipt of those listed by address is sufficient proof of service.

IN WITNESS WHEREOF, Moline and East Moline have caused their duly authorized agents to sign and seal this document as of the day and year first above written.

CITY OF MOLINE, ILLINOIS
A Municipal Corporation

CITY OF EAST MOLINE, ILLINOIS
A Municipal Corporation

Mayor

Mayor

Attest: _____
City Clerk

Attest: Quetta D. Holmes
City Clerk

Approved as to form:

Approved as to form:

City Attorney

City Attorney

Exhibit "A"

Legal Description

That certain tract of parcel of land situated in the East Half of the Southwest Quarter (SW ¼) of Section Number Two (2) in Township Number Seventeen (17) North, Range Number One (1) West of the Fourth Principal Meridian, bounded and described as follows, to-wit: Commencing at a stone at the Southeast corner of the Southwest Quarter of said Section Number Two(2) thence running West along the South line of said Southwest Quarter 563.8 feet to an iron stake; thence running North 2016.72 feet to the center of Colona Road for a place of beginning being the Northeast corner of the tract hereby conveyed, thence running in a Southwesterly direction along the center of Colona Road 244.5 feet; thence running South 563.28 feet to an iron stake; thence running East 233.4 feet, thence running North 634.1 feet to the place of beginning, excepting and reserving a right of way over the East Ten (10) feet thereof, also excepting also much dedicated for road purposes conveyed by deed recorded in Book 219 of Deeds, page 237 No. 218557 in the Office of the Recorder of Deeds in and for Rock Island County, Illinois, and subject to the rights and the Public in the South Half of said Colona Road, situated in Rock Island County in the State of Illinois,

EXCEPT that part dedicated to the People of the State of Illinois shown in Dedication Of Right Of Way For A Freeway filed December 5, 1956 as Document No. 505252 in Book 508 at Page 250 and described as follows:

A tract of land in the E ½ of the SW ¼ of Section 2, T17N, R1W of the 4th P.M. lying between the present northerly-right of way line of a highway designated State Bond Issue Route 80 and a new right of way line for said Route 80 which line is northerly of, seventy five (75) feet perpendicularly distant from and parallel with the survey line for said Route 80 and extends between two property lines which, extended, intersect said survey line at Station 3575+76 and 3578+00.

Said survey line is divided into stations one hundred (100) feet in length numbered in increasing numerical order toward the west and is fixed by and may be retraced from references and data shown on the attached plat, containing 0.18 acres, more or less.

Situated in the County of Rock Island and State of Illinois.

Address: 5320 22nd Ave., Moline, IL

Tax Parcel No. 07-51

Standard Requirements and Certifications

Every grantee under the program will be required to comply with these certifications and requirements:

1. Applicant certifies that all statements herein are true, accurate, and complete;
2. Applicant is an eligible recipient of grant funds based on Section 360.103 of the Program Rules;
3. Applicant will not permit any discrimination on the basis of gender, race, religion, national origin, ancestry, creed, pregnancy, marital or parental status, sexual orientation, or physical, mental, emotional or learning disability in connection with its participation in the Program;
4. Applicant will ensure expenditures of grant funds are for eligible uses under the Program;
5. Applicant will maintain records in connection with administration of the Program for five years after the date of termination of the Commitment;
6. Applicant will comply with the terms and conditions of the Program;
7. Applicant will comply with monitoring and evaluation of the Program through the full Commitment period;
8. Applicant will comply with all prevailing wage requirements;
9. Applicant will comply with all federal/state/local laws and regulations, including, but not limited to historical preservation, environmental, demolition, and lead based paint laws; Applicant agrees and acknowledges that it is its responsibility to determine which laws and regulations apply;
10. Applicant certifies that all procurements/vendor contracts comply and will continue to comply with all applicable laws and regulations, including applicable municipal procurement policies and procedures; and
11. Applicant certifies all households assisted with this grant will be Low-Income as defined by Section 360.01 of the Illinois Administrative Code/Trust Fund [Program Rules](#).

On behalf of _____, I certify that the information contained herein accurately reflects my organization's commitment and ability to participate fully in the Single Family Rehabilitation Program.

Name

Title

Date (MM/DD/YYYY)

Signature of Authorized Official

Uniform Application for State Grant Assistance

Agency Completed Section

1.	Type of Submission	<input type="checkbox"/> Pre-application <input checked="" type="checkbox"/> Application <input type="checkbox"/> Changed / Corrected Application
2.	Type of Application	<input checked="" type="checkbox"/> New <input type="checkbox"/> Continuation (i.e. multiple year grant) <input type="checkbox"/> Revision (modification to initial application)
3.	Date / Time Received by State	Completed by State Agency upon Receipt of Application
4.	Name of the Awarding State Agency	Illinois Department of Transportation
5.	Catalog of State Financial Assistance (CSFA) Number	494-00-1439
6.	CSFA Title	Statewide Planning and Research Funds
Catalog of Federal Domestic Assistance (GFDA) <input type="checkbox"/> Not applicable (No federal funding)		
7.	CFDA Number	20.205
8.	CFDA Title	Statewide Planning and Research Funds
9.	CFDA Number	
10.	CFDA Title	
Funding Opportunity Information		
11.	Funding Opportunity Number	n/a
12.	Funding Opportunity Title	
13.	Funding Opportunity Program Field	
Competition Identification <input checked="" type="checkbox"/> Not Applicable		
14.	Competition Identification Number	
15.	Competition Identification Title	

Applicant Completed Section

Applicant Information

16.	Legal Name	Name used for DUNS registration and grantee pre-qualification: Moline, City of
17.	Common Name (DBA)	City of Moline
18.	Employer / Taxpayer Identification Number (EIN, TIN)	36-6005999
19.	Organizational DUNS number	093869170
20.	SAM Cage Code	4E0D2
21.	Business Address	Street address: 619 16 th Street City: Moline State: Illinois County: Rock Island Zip + 4: 61265-2121

Applicant's Organizational Unit

22.	Department Name	Planning and Development
23.	Division Name	Planning

Applicant's Name and Contact Information for Person to be Contacted for *Program* Matters involving this Application

24.	First Name	Jeff
25.	Last Name	Anderson
26.	Suffix	Mr.
27.	Title	City Planner
28.	Organizational Affiliation	Employee
29.	Telephone Number	309-524-2038
30.	Fax Number	309-524-2031
31.	Email address	janderson@moline.il.us

Applicant's Name and Contact Information for Person to be Contacted for *Business/Administrative Office* Matters involving this Application

32.	First Name	Annaka
33.	Last Name	Whiting
34.	Suffix	Ms.
35.	Title	Housing Grant Compliance Analyst
36.	Organizational Affiliation	Employee
37.	Telephone Number	309-524-2035
38.	Fax Number	309-524-2031
39.	Email address	awhiting@moline.il.us

Areas Affected		
40.	Areas Affected by the Project (cities, counties, state-wide)	Avenue of the Cities, Moline, IL Add Attachments (e.g., maps)
41.	Legislative and Congressional Districts of Applicant	Illinois State Senate District No. 36; Illinois General Assembly District No. 72; 17 th U.S. Congressional District;
42.	Legislative and Congressional Districts of Program / Project	Attach an additional list, if needed
Applicant's Project		
43.	Description Title of Applicant's Project	Text only for the title of the applicant's project.
44.	Proposed Project Term	Start Date: 01-01-2017 End Date: 01-01-2018
45.	Estimated Funding (include all that apply)	<input checked="" type="checkbox"/> Amount Requested from the State: \$80,000 <input checked="" type="checkbox"/> Applicant Contribution (e.g., in kind, matching): \$20,000 <input type="checkbox"/> Local Contribution: <input type="checkbox"/> Other Source of Contribution: <input type="checkbox"/> Program Income: <p style="text-align: right;">Total Amount \$100,000</p>
<p>Applicant Certification:</p> <p>By signing this application, I certify (1) to the statements contained in the list of certifications* and (2) that the statements herein are true, complete and accurate to the best of my knowledge. I also provide the required assurances* and agree to comply with any resulting terms if I accept an award. I am aware that any false, fictitious, or fraudulent statements or claims may subject me to criminal, civil or administrative penalties. (U.S. Code, Title 218, Section 1001)</p> <p>(*) The list of certification and assurances, or an internet site where you may obtain this list is contained in the Notice of Funding Opportunity.</p> <p style="text-align: center;"><input checked="" type="checkbox"/> I agree</p>		
Authorized Representative		
46.	First Name	Scott
47.	Last Name	Raes
48.	Suffix	Honorable
49.	Title	Mayor
50.	Telephone Number	309-524-2004
51.	Fax Number	309-524-2031
52.	Email Address	sraes@moline.il.us
53.	Signature of Authorized Representative	
54.	Date Signed	

**IOWA INTERSTATE RAILROAD, LTD./CITY OF MOLINE, ILLINOIS
FIRST AMENDMENT TO LEASE AGREEMENT**

THIS FIRST AMENDMENT TO LEASE AGREEMENT ("Amendment") is made and entered into as of this 14 day of October, 2016, by and between the City of Moline, Illinois, a municipal corporation ("CITY" or "LESSEE") and Iowa Interstate Railroad, Ltd., ("RAILROAD" or "LESSOR"), the successor in interest to Heartland Rail Corporation.

RECITALS

WHEREAS, Heartland Rail Corporation, the predecessor in interest to RAILROAD, and CITY entered into a certain Lease Agreement dated November 1, 1997, pursuant to which CITY leased certain premises located in the City of Moline, County of Rock Island, State of Illinois, as more particularly described in the Lease Agreement;

WHEREAS the CITY and RAILROAD desire to amend and add certain other terms and conditions of the Lease Agreement.

NOW THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and for other good and valuable consideration, the receipt and sufficiency of which is acknowledged hereby, the parties mutually agree as follows:

1. Recitals Incorporated; Certain Defined Terms. The recitals set forth above are incorporated herein by this reference and shall be deemed terms and provisions hereof with the same force and effect as if fully set forth in this Paragraph 1. Capitalized terms that are not otherwise defined herein shall be deemed to have the same meaning as ascribed to such terms in the Lease Agreement. As used herein, the "Lease Agreement" hereafter shall be deemed to mean the Lease, as amended by this Amendment.
2. Lessor. All references in the Lease Agreement to Heartland Rail Corporation as Lessor shall now apply to Iowa Interstate Railroad, Ltd.
3. Term. The term specified in the Lease Agreement is to expire on October 31, 2022. Lessor and Lessee agree to extend the term of the Lease through October 31, 2041, unless terminated as hereinafter provided.
4. Termination. The parties acknowledge that Lessor is a party to a Trackage Rights Agreement dated October 23, 1995, between RAILROAD, Burlington Northern Railroad Company, and SOO Line Railroad. Should Lessor receive notice that the Trackage Rights Agreement will be terminated or otherwise modified in a manner that necessitates Lessor's use of any part of the Premises or otherwise renders

Lessee's use of any part of the Premises impossible or impracticable for whatever reason, such notice shall operate to terminate the Lease Agreement. In addition, RAILROAD may terminate this lease should it require use of the Premises for railroad purposes. The parties acknowledge that these termination events may occur prior to the expiration of the lease term.

5. Use. Attached to the Lease Agreement is Exhibit A, which Exhibit A includes an "Exhibit of Lease Parcel No. 8." Attached hereto and incorporated herein by this reference is Exhibits A-1 and A-2 which depict and describe the real property subject to this Amendment. Use of this Parcel No. 8 as depicted and described in Exhibit A-1 and Exhibit A-2 is limited to those uses described and as depicted in Exhibit B-1 and B-2 attached hereto and incorporated herein by this reference, including the construction of a barrier depicted therein separating any railroad tracks from leased property.

6. Rent. Lessee shall pay as rent for the Premises on an annual basis in advance as follows:

2016	\$15,210.00
2017 – 2020	\$18,000.00
2021 – 2025	\$20,000.00
2026 – 2030	\$23,000.00
2031 – 2035	\$26,000.00
2036 – 2040	\$29,000.00

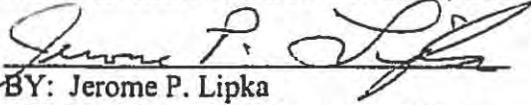
7. Insurance. Lessee shall maintain during the term of this Lease, a liability policy in a minimum amount of \$10,000,000.00 combined single limits for bodily injury or death to person or persons and property damage per occurrence. RAILROAD reserves the right to review and alter insurance limits throughout the term of the Lease Agreement at its sole discretion.

8. Reaffirmation of Terms. Except as expressly modified herein, all of the terms, covenants, and provisions of the Lease Agreement are hereby confirmed and ratified and shall remain unchanged and in full force and effect.

[Signatures to Appear on the Following Page]

Dated this 19 day of October, 2016

IOWA INTERSTATE RAILROAD, LTD.



BY: Jerome P. Lipka
ITS: President/Chief Executive Officer

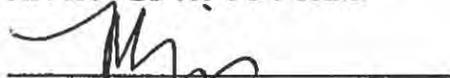
Dated this 19 day of October, 2016.

CITY OF MOLINE, ILLINOIS



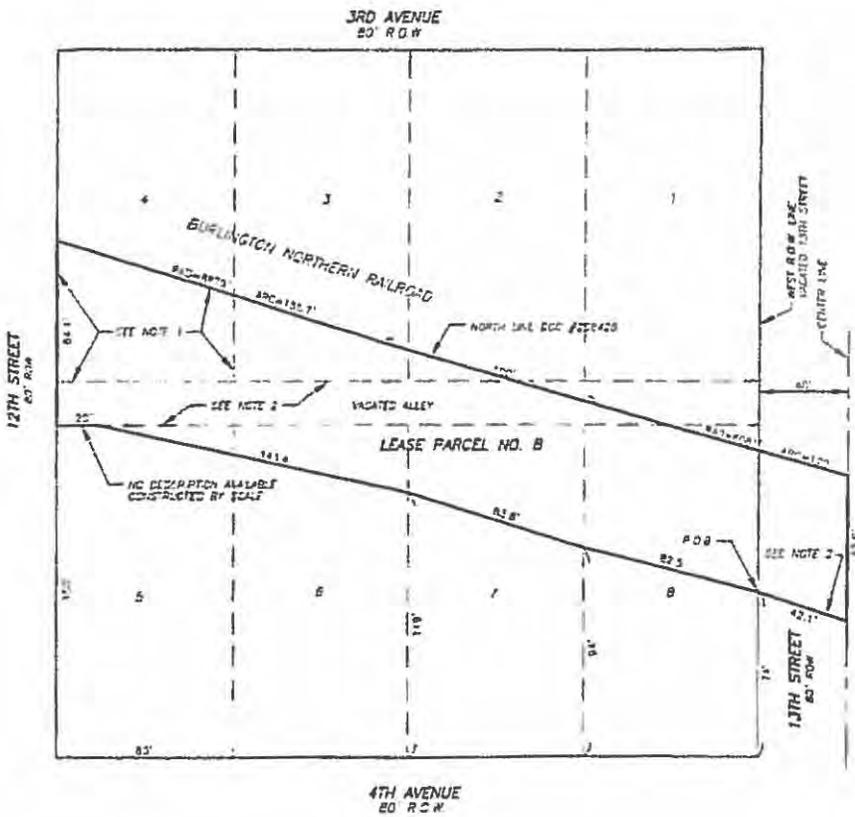
BY:
ITS:

APPROVED AS TO FORM:



BY:
ITS: CITY ATTORNEY

EXHIBIT OF LEASE PARCEL NO. B
 in Block 15 in the
 Old Town of Moline
 City of Moline
 Rock Island County, Illinois



- NOTES**
- 1) PARCEL CONVEYED TO THE CHICAGO, ROCK ISLAND & PACIFIC RR COMPANY FROM DIERRE & CO FILED APR. 1, 1920 AS DOC #178925
 - 2) VACATION OF 13TH STREET AND ALLEY IN BLOCK 15 FILED JUNE 4, 1928 AS DOC #241171
 - 3) THIS EXHIBIT PREPARED FROM MAPS AND DEEDS OF RECORD AND DOES NOT REPRESENT A FIELD SURVEY

PLAT & SURVEY BY: ROSE-ANDERSON PROFESSIONAL LAND SURVEYORS MOLINE, ILLINOIS PHONE: (309) 762-1218 FAX: (309) 762-1265		
CLIENT:	KIM ANTONIATE HENNING 2200 INDUSTRIAL PARK ROAD MOLINE, ILL. 61704	
JOB NO. 18	DATE	SCALE
	8/23/97	1" = 40'
		SHEETS
		1 OF 2

EXHIBIT
 TABBLIES
A-1

Lease Parcel 8

Part of Block Fifteen (15) in the Old Town of Holine, City of Melina, Rock Island County, Illinois being more particularly described as follows:

Beginning at the Southwest corner of Lot Eight (8) in said Block Fifteen (15):

Thence, Northerly along the East line of said Lot Eight (8), a distance of 71 feet to the Point of Beginning;

Thence, Westerly 80.5 feet to a point in the West line of said Lot Eight (8), located 94 feet Northerly of the Southwest corner of said Lot Eight (8);

Thence, Westerly 83.8 feet to a point in the West line of Lot Seven (7), located 119 feet Northerly of the Southwest corner of said Lot Seven (7);

Thence, Westerly 143.4 feet to the South line of the platted alley in said Block Thirteen (13), said alley now being vacant;

Thence, Westerly along said South line 20 feet to the East line of Twelfth Street;

Thence, Northerly along said East line, 84.1 feet to the Northerly line of the premises conveyed to the Chicago, Rock Island and Pacific Railroad from Deere & Company filed April 3, 1911 as Document Number 266426;

Thence, Easterly along said North line and the North line of the premises conveyed to the Chicago, Rock Island and Pacific Railroad from the Chicago, Burlington & Quincy Railroad filed April 3, 1910 as Document Number 266429 said line being a curve concave to the South with a radius of 6,872 feet and arc length of 155.7 feet;

Thence, Easterly along the North line of said premises conveyed from the Chicago, Burlington & Quincy Railroad Company, 100 feet;

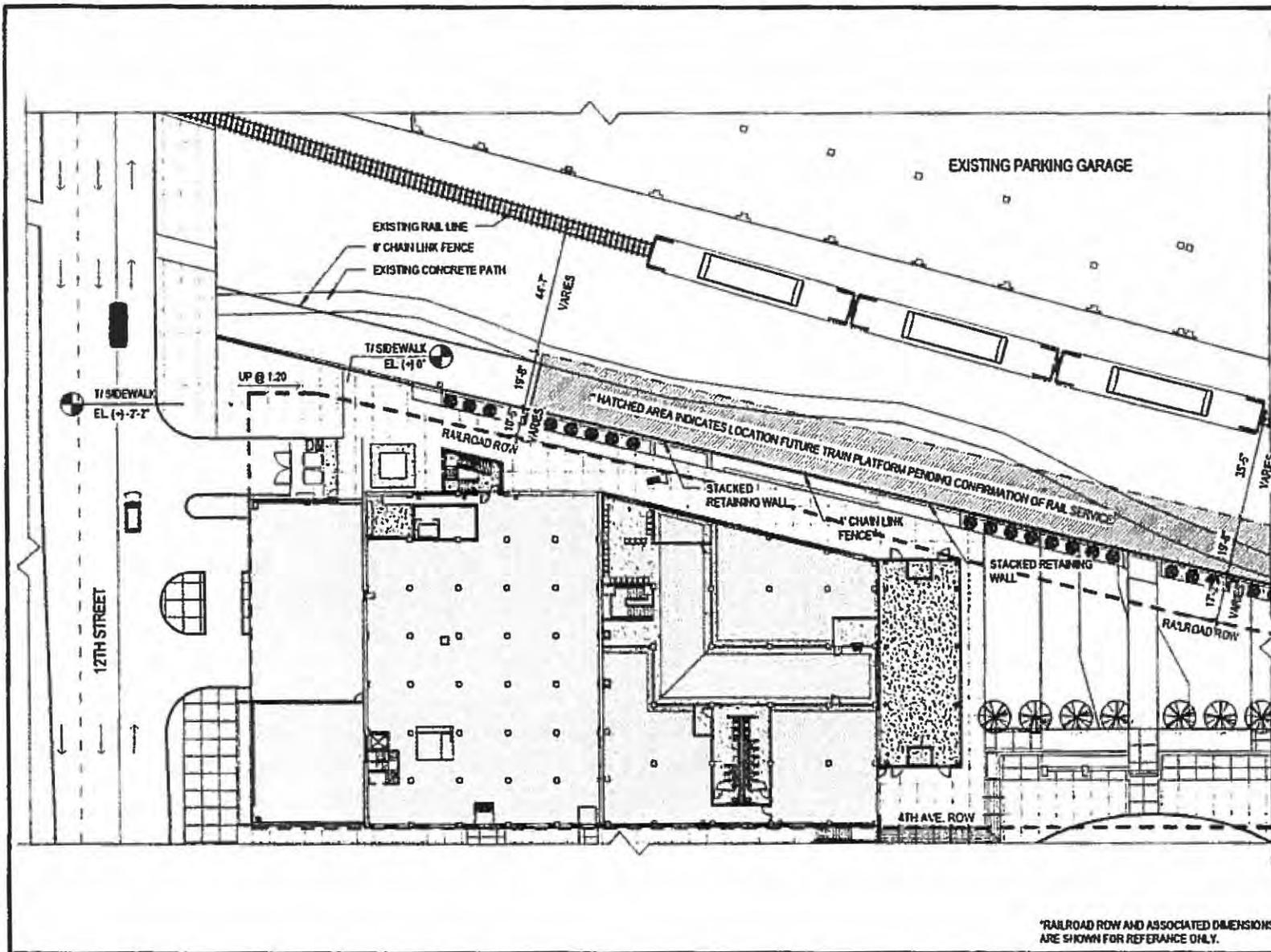
Thence, Easterly along said North line being a curve concave to the North with a radius of 7,091 feet and arc length of 170 feet to the center line of vacated Thirteenth Street;

Thence, South along said center line 61.9 feet;

Thence, Westerly 42.1 feet to the Point of Beginning;

It is the intent of this description to describe a portion of the premises aforesaid in this description from Deere & Company and the Chicago, Burlington and Quincy Railroad as well as the premises conveyed to the Chicago, Rock Island





LEGATARCHITECTS
 SUSTAINABILITY PERFORMANCE DESIGN

MetroLINK

**QUAD CITIES
 MULTI-MODAL
 STATION**

1205 - 1209 4th AVENUE
 MOLINE, IL 61265

Legat Architects

Studio Address Line 1
 Studio Address Line 2
 P. 302.332.3333
 F. 302.332.3333
 www.legat.com

1/32" = 1'-0" 

PARTIAL SITE PLAN

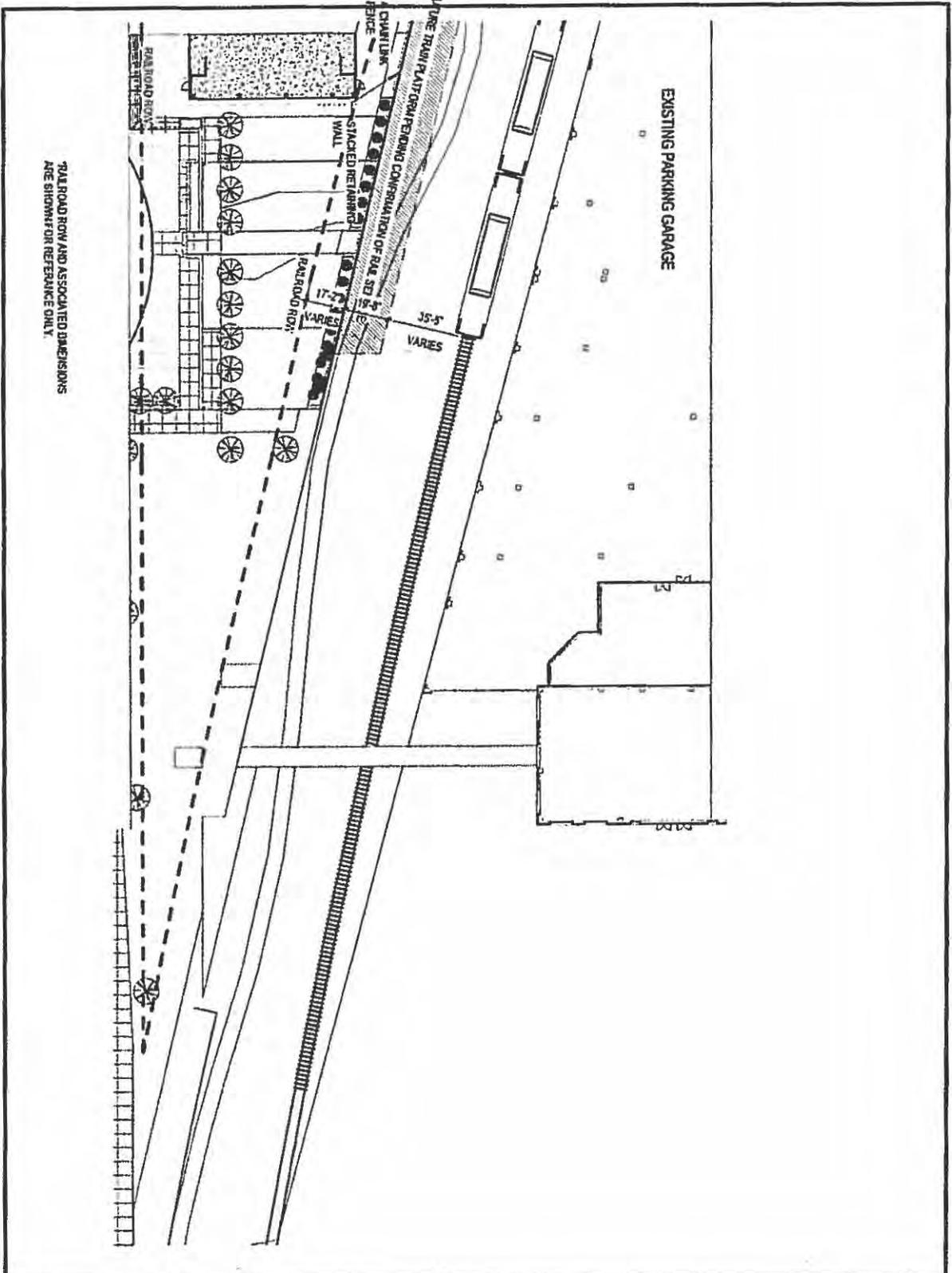
PROJECT NUMBER 212028.00
 DATE OF ISSUE 12.17.15

R-001

EXHIBIT

B-1

EXHIBIT



RAILROAD ROW AND ASSOCIATED DIMENSIONS
ARE SHOWN FOR REFERENCE ONLY.

LEGATARCHITECTS
ARCHITECTURE / INTERIOR DESIGN

Metrolink

QUAD CITIES
MULTI-MODAL
STATION

1205 - 1209 4th AVENUE
LAQUE, IL 61265

Legat Architects
Studio Address Line 1
Studio Address Line 2
P. HILGEMAN
F. HILGEMAN
www.legat.com

1" = 40'-0"
⊕

PARTIAL SITE PLAN

PROJECT NUMBER 2102&00
DATE OF ISSUE 12.12.15

R-001

EXHIBIT

B-2

DEVELOPMENT AND ECONOMIC INCENTIVE AGREEMENT

Between the CITY OF MOLINE

and

DIVVYMED, LLC

d/b/a divvyDOSE

This Development and Economic Incentive agreement ("Agreement") is executed this 19 day of OCTOBER, 2016, by and between the City of Moline, Illinois, an Illinois municipal corporation (the "City"); and DIVVYMED, LLC, an Illinois Limited Liability Company, its successors and/or assigns, d/b/a divvyDOSE (collectively the "Company").

WITNESSETH:

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, DIVVYMED, LLC, has a contract to lease a now vacant space with LRC Real Estate, Inc. within the City of Moline located at 3800 Avenue of the Cities, Moline, Illinois, Rock Island County Parcel # 07-77-2; and

WHEREAS, the Company is the contract lessee of the property and is intending to occupy between 40,000–79,860 sq ft of the available 90,455 sq ft of the office building (the "Development Project") with an estimated project cost of Ten Million Three Hundred Thousand Dollars and 00/100 (\$10,300,000.00); and

WHEREAS, the Company has a lease with LRC Real Estate, Inc. with a 7 year term and a 3 year option and divvyDOSE currently employees 60 full-time equivalent employees and is expected to add an additional 200 full-time employees within the next five (5) years; and

WHEREAS, the City, recognizing the economic and other benefits derived therefrom by the City and its residents, seeks to assist the Company in its endeavors to lease the space and grow the Company; and

WHEREAS, the City and the Company agree that to permit the Company to commit to

the Development Project, it is necessary that the City provide an incentive in the form of certain economic development assistance in accordance with the law and the terms of this Agreement; and

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the parties hereby covenant and agree as follows:

Section I. Incorporation of Recitals

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

Section II. General Terms

Company after receipt of the promises and inducements contained herein agrees to enter into a lease for a portion of the vacant space at 3800 Avenue of the Cities, Moline, IL, legally described in Exhibit A which is attached hereto and incorporated herein by reference ("Subject Property") with a graduated lease of 40,000, 50,000, 60,000, 70,000, and then 79,860 sq ft to accommodate existing and future employees, and operations of the Company. The Company will take 40,000 sq ft immediately and is required to step up only if space remains available in the building.

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

A. Low Interest Loan. The City Agrees to execute a Loan Agreement with the Company once this Agreement is executed and the Company enters into a Lease with LRC Real Estate, Inc. consistent with the terms outlined in this document. The following are the Terms of the Loan:

- **Amount of Loan.** It is expressly understood and agreed that the amount to be loaned to the Company by the City shall not exceed Four Hundred Thousand and 00/100 Dollars (\$400,000.00). Such loan will be evidenced by separate Promissory Note, and secured by Security interests in certain Equipment as described in Exhibit B executed by the Company and in favor of the City, which documents are hereby made part of this Agreement by reference. Exhibit B summarizes the step down of the security interest.
- **Loan Rate.** All funds loaned to the Company shall be at an interest rate that is one quarter of one percent (.25%) greater than the variable interest rate charged by the City's lender. For illustrative purposes only, if the City's lender charges the City 2.95% interest, then the interest rate that the City will charge the Company is 3.20%.

- Loan Term. The City and the Company agree that the term of the loan shall be ten (10) years from the date of the first disbursement by the City.
- Loan Disbursement. The City shall disburse to the Company up to the total principal sum of Four Hundred Thousand and 00/100 Dollars (\$400,000.00) only pursuant to written draw requests submitted by the Company. It is anticipated that there will be two (2) draw requests of \$200,000 each. The first draw is anticipated once the Development Agreement is executed and the Lease is signed. The second draw is anticipated once the State of Illinois has approved the site for full operations.
- Repayment of Loan. The Company will make monthly interest payments for the first twenty four (24) months, with the first interest payment due thirty (30) days from the first billing cycle that loan proceeds are drawn. The City's Finance Director shall send a bill to the Company each month for the current monthly interest payment, which shall be calculated on the outstanding balance. Each monthly interest only payment will then be due thirty (30) days after each billing cycle. Payments will be made to the City of Moline Finance Office at 1630 8th Avenue, Moline, Illinois 61265.

After the twenty-four (24) months of interest only payments, the Company shall make monthly principal and interest payments to the City for the remainder of the term of the loan. The City shall provide the Company with an Eight Year Amortization Schedule that shows the amount of the monthly principal and interest payment to be made, how each payment will be applied to principal and interest over the remaining term, and will set the due date for each monthly payment. The Company will, in writing, acknowledge receipt of this Amortization Schedule and acknowledge the Company is aware of the amount of each monthly principal and interest payment and the due date of such payment. The Amortization Schedule shall be provided by the City and acknowledged by the Company prior to the Company making its final interest only payment.

Each payment will be applied as set forth in the Promissory Note between the parties of the same date.

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

B. Property Tax Rebate. The City also agrees to provide a Property Tax Rebate. For purposes of this Agreement, the use of the terms "property tax revenue" shall be construed to refer to that net portion of taxes imposed by Rock Island County for distribution to the City of Moline pursuant to the Illinois Property Tax Code (35 ILCS 200/1-1 *et seq.*). The Illinois Property Tax Code may be amended from time to time, which may affect the amount of taxes collected by the County 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 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 the Company 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 the Company. If a restructured agreement cannot be agreed to by both parties within a reasonable period of time not more than sixty (60) days from the effective date of the law or statute that has materially affected the City's compliance herewith, then the Agreement shall automatically terminate releasing both parties from their obligations hereunder as to the property tax revenue incentive only and not as to the loan between the parties, unless the parties mutually agree to extend such period. The use of the term "property 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 the Company and the Development Project.

In the event that all terms and conditions set forth in this Agreement are met by the Company, including any site improvements and executing the lease of the property, the City hereby agrees to pay the Company certain rebates ("Incentive Payment") by yearly installments as follows, subject however to the following conditions and restrictions:

It is understood that each Incentive Payment will be due and payable based on the amount of property tax revenue received by the City as a result of the assessed value of the Subject Property, however, the City reserves the right to make the rebate payment from the Planning & Development Department's General Fund, which could have several revenue sources. The City will not calculate nor make the Incentive Payment until the entire property tax payment is received.

The initial payment year (hereinafter referred to as the "Initial Payment Year") shall commence once the Rock Island County Assessor has placed a full Equalized Assessed Value (EAV) on the improved property resulting from the Development Project. Each payment year thereafter shall be referred to herein as a "Subsequent Payment Year". An illustrative example of the payments called for under this paragraph is shown in the Estimated Increment Worksheet attached hereto and incorporated by reference herein as Exhibit B. The actual Incentive Payment will be calculated based on the assessed value as established by the Rock Island County Assessor when the annual payment is calculated. The parties agree that the figures shown in Exhibit B 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 or may be \$0 depending upon the actual experience.

It is understood that the Company has a lease agreement with the following terms:

- Years 1-3, 40,000 sq ft
- Year 4, 50,000 sq ft (if available)
- Year 5, 60,000 sq ft (if available)

- Year 6, 70,000 sq ft (if available)
- Years 7-10 79,860 sq ft (if available)

The Company shall be entitled to Incentive Payments equal to one-hundred percent (100%) of the property tax revenue from the Development Project for years 1-5; and

the Company shall be entitled to Incentive Payments equal to fifty percent (50%) of the property tax revenue from the Development Project for years 6-10; and

The Incentive Payments shall be computed at the close of each Payment Year by the City as provided herein. The City will make yearly payments to the Company within thirty (30) days after it receives from the Rock Island County Treasurer the property tax revenue generated by the Equalized Assessed Value established on the Development Project for the respective Payment Year and verification of the actual space occupied by the Company within the property. The City reserves the right to divert the Incentive Payment to any Principal and Interest Payment that is outstanding at the time the Incentive Payment is due .

C. Bonus Incentive. Should the Company maintain a minimum employment of 260 full-time equivalent positions beginning in the 5th year of the Agreement, the City will provide an incentive equal to one half (1/2) of the amount of the monthly Principal and Interest payment due under section II.A. above. The Bonus Incentive shall continue through the remaining term of the Agreement as long as Company employees 260 or more full-time equivalent employees and leases the available space in the building according to the lease terms, is current with all payments and meets the Moline Commitment described in Section D below.

D. Moline Commitment. divvyDOSE will remain active in sourcing qualified employees that are residents of Moline. divvyDOSE will continue working with Black Hawk College to develop programs and provide opportunities for their qualified students to become employed at divvyDOSE. The Company shall encourage Moline residents to seek employment at divvyDOSE and locate to Moline if they are relocating for employment with divvyDOSE. The Company shall meet the following thresholds:

- 100 Employees – a minimum of 15 Moline residents
- 200 Employees – a minimum of 40 Moline residents
- 260 Employees – a minimum of 52 Moline residents

Section III. Project Schedule

The Company has submitted an estimated schedule as depicted in Exhibit C. The Company shall submit in writing to the City, any revisions to the schedule once the elements of the Development Agreement are executed including the approval of the Development Agreement; Execution of the Lease with LRC, Real Estate, Inc; first loan draw; plans for any construction/modification to the lease space; equipment purchase; Phase I move and opening; submittal for State of Illinois facility approval; Phase II move; second loan draw and any other

milestone event related to this Development Agreement.

Further, the Company shall not cause or permit the existence of any material violation of City ordinances, including but not limited to the City's building code, subdivision, zoning ordinances, fire code and any and all rules and regulations thereunder. If the conditions of this Section are not met as to material violations and continue to be unmet for a period of thirty (30) days after the Company's receipt of the City's notice thereof, the Agreement may be declared null, void and of no legal effect by the City upon notice to the Company or payment of the Incentive Payments may be deferred until the conditions are met, at the City's sole discretion; provided, however, that the thirty (30) day cure period herein shall be extended as reasonably necessary to complete the cure so long as the cure is promptly commenced during the initial thirty (30) day period, is diligently prosecuted to conclusion and the cure is not one which could reasonably be commenced and completed within thirty (30) days. If the conditions of this Section are not met due to circumstances beyond the Company's reasonable control such as acts of God, acts of civil or military authority, embargoes, epidemics, war, riots, insurrections, fires, explosions, earthquakes, floods, strikes or lockouts (collectively the "force majeure conditions"), and said force majeure condition exists for more than seven days, the Company shall give the City immediate written notice of such condition. Performance under the Agreement shall then be suspended by both parties for the duration of the force majeure condition and performance shall be resumed by the parties once the force majeure condition ceases. For purposes of this section, if a force majeure condition occurs, any deadlines shall be extended for the same number of days that the force majeure condition existed.

To the best of the Company's knowledge, the Project, as designed, is and shall be in full compliance with all applicable state and local laws and ordinances. Further, the Company warrants that the City 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 Building Official and Fire Chief.

Section IV. Limitation of Actions

No recourse under or upon any obligation, covenant or agreement of this Agreement or for any claim based thereon or otherwise in respect thereof shall be had against the City, its officers, agents and employees, in excess of any specific sum agreed by the City to be paid to Company hereunder, subject to the terms and conditions herein, and no liability, right or claim at law or in equity shall attach to, or shall be incurred by the City, its officers, agents and employees in excess of such amounts, and all and any such rights or claims of the Company against the City, its officers, directors, agents and employees in excess of such amounts are hereby expressly waived and released as a condition and as consideration for the execution of this Agreement by the City.

Section V. Assignment

The Company shall not assign this Agreement to any person or entity without the prior written consent of the City, said consent not to be unreasonably withheld, conditioned or delayed; it

being further expressly understood that the City Administrator is hereby authorized to provide such consent without the necessity of further action by the City Council. No such assignment shall be effective, even if consented to by the City, unless and until the Assignee acknowledges in writing to the City that the obligations of the City to the Company or any Assignee hereunder are contingent upon obligations on the part of Company which such Assignee is willing to assume.

Notwithstanding any such assignments and/or assumption of responsibility, the Company shall remain liable for all of its agreements, covenants and obligations and the performance thereof pursuant to this Agreement unless such Assignee assumes in writing all of the agreements, covenants and obligations of the Company.

Section VI. Indemnification

In the event that any third party or parties institutes any legal proceedings against the City and/or the Company, which relate to the terms of this Agreement, then, in that event, the Company shall indemnify and hold harmless the City from any and all such proceedings. Further, the Company, upon receiving notice from the City of such legal proceedings, shall assume, fully and vigorously, the entire defense of such lawsuit or proceedings and any and all costs and expenses of whatever nature relating thereto; provided, however, that the Company may not at any time settle or compromise such proceedings without the City's consent, which consent shall not be unreasonably withheld, conditioned or delayed, and even then only so long as such settlement or compromise does not involve an admission of wrongdoing on the part of the City, nor any liability on the part of the City, monetary or otherwise.

If the City, in its sole exercise of discretion, determines that there is, or may probably be, a conflict of interest between the City and Company on an issue of material importance to the City, or which may reasonably have a potentially substantial adverse effect on the City, then the City shall have the option of being represented by its own legal counsel. Except in regard to a dispute between the City and Company regarding this Agreement, in the event that the City exercises such option, then Company shall reimburse the City from time to time on written demand from the City and notice of the amount due for any and all reasonable out-of-pocket costs and expenses, including but not limited to court costs, reasonable attorney's fees, witnesses' fees and/or other litigation expenses incurred by the City in connection therewith.

The City makes no representations or warranties as to whether or not the Illinois Prevailing Wage Act applies to this Development Project. Payment of Prevailing Wage and compliance with the Act, if required, is the sole responsibility of the Company and/or its contractors and subcontractors. The Company 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.

Section VII. Breach or Vacation of Project Location

In the event of breach of any of the material terms and conditions of the Agreement and the continuance of such breach without cure of the breach for a period of 30 days after the breaching party's receipt of the non-breaching party's notice thereof, the non-breaching party shall have the right to terminate this Agreement; in the event the breaching party cures the breach during the 30 day cure period, the breach shall have no adverse consequences to the breaching party. In addition, the non-breaching party shall have the right, by any action or proceeding at law or in equity, to secure the specific performance of the covenants and agreements herein contained, and may be awarded damages or failure of performance, or both, except that the exclusive remedy for the City's failure to meet the Section II commitment is the payment of the scheduled Incentive Payments, loan disbursements and bonus incentive as set forth in Section II, subject to the limitations set forth in Section II. The foregoing rights and remedies shall be cumulative and exclusive.

In the event that DIVVYMED, LLC or any approved successor, fails to continue to operate the Company on the Property as identified in Section II of this Agreement, DIVVYMED, LLC or such approved successor, shall make payment of all outstanding Interest and Principal Payments related to the Low Interest Loan; and shall reimburse the City within sixty (60) Days of receipt of a written demand from the City specifying the amount of the reimbursement all or a portion of the Incentive and Bonus Incentive Payments paid hereunder according to the following schedule:

If said event occurs during:

- Year one through two – Seventy-five percent (75%) of the Incentive Payment paid to DIVVYMED, LLC or such approved successor.
- Year three through five – Fifty percent (50%) of the Incentive Payment paid to DIVVYMED, LLC or such approved successor.
- Year six through seven – Twenty-five percent (25%) of the Incentive Payment and Bonus Incentive paid to DIVVYMED, LLC or such approved successor.
- Year eight through ten – No repayment of the Incentive Payment and Bonus Incentive paid to DIVVYMED, LLC or such approved successor.

After the expiration of a sixty (60) day written demand by the City to DIVVYMED, LLC or such approved successor, specifying the amount due, the City may, in its sole discretion, pursue any and all available legal remedies to recover said monies, including, without limitation, proceed with an action in law or in equity to recover the amounts owed as outlined in the Promissory Note.

Section VIII. Amendments

This Agreement sets forth all the promises, inducements, agreements, conditions and understandings by and between the parties relative to the subject matter hereof, and there are no promises, agreements, conditions or understandings, either oral or written, express or implied, between them, other than those expressly set forth herein. No subsequent alteration,

amendment, change or addition to this Agreement shall be binding upon the parties hereto unless authorized in accordance with the law and reduced in writing and signed by them.

Section IX. Time

Time is of the essence under this Agreement and all time limits set forth herein are mandatory and cannot be waived except by a lawfully authorized and executed written waiver by the party excusing such timely performance.

Section X. Notices

Any notices required in this Agreement shall be effective when in writing and three (3) business days after mailing by certified mail return receipt requested, or upon hand-delivery of the same in the same manner of service of a summons and complaint under the laws of the State of Illinois in person or to an officer of such party addressed to the party to be notified, as follows:

Copy to the City:
Lew Steinbrecher, City Administrator
City of Moline
619 16th Street
Moline, IL 61265

With a copy to:
Maureen Riggs, City Attorney
City of Moline
619 16th Street
Moline, IL 61265

And with a copy to:
Ray Forsythe, Planning & Development Director
City of Moline
619 16th Street
Moline, IL 61265

Copy to Company:
Arvind Movva, M.D.
545 Valley View Drive
Moline, IL 61265

With a copy to:
Luke Lonergan, CFO
divvyDOSE
3416 Blackhawk Road, Suite 104
Rock Island, IL 61201

Section XI. Exhibits

Exhibits attached herein are hereby incorporated in and made a part of this Agreement.

Section XII. Jurisdiction

This Agreement shall be governed by the laws of the State of Illinois, and the sole and exclusive venue for any disputes arising out of this Agreement shall be the appropriate state or federal court located within the County of Rock Island in the State of Illinois.

Section XIII. Waiver

A waiver of any part of this Agreement shall be limited to that specific event and shall not be a waiver of the entire Agreement.

Section XIV. Authorization to Execute

The party who has executed this Agreement on behalf of Company hereby warrants that he/she has been lawfully authorized by the Company to execute this Agreement on behalf of Company.

The party who has executed this Agreement on behalf of City hereby warrants that he/she has been lawfully authorized by City to execute this Agreement on behalf of City.

WITNESS their hands and seals the day and year first above written.

THE CITY OF MOLINE, ILLINOIS

DATED: _____

By: _____
Scott Raes, Mayor

Attest: _____
Tracy Koranda, City Clerk

Approved as to form:

Maureen Riggs, City Attorney

**DIVVYMED, LLC AN ILLINOIS LIMITED LIABILITY COMPANY D/B/A
DIVVYDOSE**

DATED: 10/19/2016

By: 
Arvind Movva, M.D., Manager

EXHIBIT A
LEGAL DESCRIPTION

A Tract of land situated in the East Half of the Southwest Quarter of Section 3, Township 17 North, Range 1 West of the 4th P.M., South Moline Township, Rock Island County, Illinois, described as follows:

Commencing at the Southwest corner of the East Half (E ½) of the Southwest Quarter (SW ¼) of said Section 3; thence North 0° 02' East along the West line of the East Half (E ½) of the Southwest Quarter (SW ¼) of said Section 3, 1771.97 feet to the Southerly right of way line of the public highway known as 23rd Avenue, thence South 77° 39' East along the Southerly line of said 23rd Avenue 655.13 feet for a place of beginning; thence continuing South 77° 39' East along the Southerly line of 23rd Avenue 586.43 feet; thence South 38° 42' East 38.88 feet along the West line of 41st Street; thence South 0° 14' 30" West 398.10 feet along the Westerly line of 41st Street; thence North 89° 32" West 600 feet; thence North 0° 28' East 549.00 feet to the place of beginning. Situated in Rock Island County, Illinois.

Excepting therefrom that parcel of real estate conveyed to the State of Illinois by Deed recorded November 16, 1980 as document number 550670.

EXHIBIT B
SCHEDULE OF SECURITY INTEREST

	Amount of Collateral	Collateral Provided
Months 1-36	\$ 400,000	Any Combination of a 2 nd lien on robotic equipment and 1 st lien on computers held by divvyDOSE and certain office furniture owned by LRC Real Estate. Actual collateral will be determined at the time of the loan draws and not necessarily from all 3 sources of collateral identified above. After 12 months, to the extent any LRC collateral has been pledged, divvyDOSE will replace the LRC collateral.
Months 37-120	\$ 200,000 or an amount equal to the outstanding balance on January 1 st of each of years 4-10 or \$0 if the minimum requirements are met related to employment and leased space.	Any Combination of a 2 nd lien on robotic equipment and 1 st lien on computers held by divvyDOSE – the amount of the lien will be reduced annually in January based on the outstanding balance on December 31 st of the preceding year. Should the company obtain the minimum employment levels and lease the amount of space indicated in the agreement, the City will reduce the required Collateral to \$0. Should the Company miss any loan payments, the City has the right to withhold incentive payments and property tax rebates to offset the required payment.

EXHIBIT C
ESTIMATED INCENTIVE WORKSHEET*

Year	Total Building Size	Rentable Area Subject to Taxes (CAM)	divvyDOSE Rentable Area	Percent divvyDOSE	Estimated EAV*	Tax Rate	Crown Center City Property Taxes	Property Tax Rebate Percent	Company Rebate	City Property Taxes After Rebate	Annual Loan Payment Total	Loan Incentive Payment	Total Incentive Payment
1	102,887	90,455	40,000	44%	\$ 1,438,294.00	2.0638	\$ 29,683.51	100%	\$ 13,126.31	\$ 16,557.20	\$ 9,123.34	\$ -	\$ 13,126.31
2	102,887	90,455	40,000	44%	\$ 1,467,059.88	2.0638	\$ 30,277.18	100%	\$ 13,388.84	\$ 16,888.34	\$ 12,879.96	\$ -	\$ 13,388.84
3	102,887	90,455	40,000	44%	\$ 1,496,401.08	2.0638	\$ 30,882.73	100%	\$ 13,656.61	\$ 17,226.11	\$ 56,782.92	\$ -	\$ 13,656.61
4	102,887	90,455	50,000	55%	\$ 1,526,329.10	2.0638	\$ 31,500.38	100%	\$ 17,412.18	\$ 14,088.20	\$ 56,782.92	\$ -	\$ 17,412.18
5	102,887	90,455	60,000	66%	\$ 1,556,855.68	2.0638	\$ 32,130.39	100%	\$ 21,312.51	\$ 10,817.88	\$ 56,782.92	\$ 28,391.46	\$ 49,703.97
6	102,887	90,455	70,000	77%	\$ 1,587,992.79	2.0638	\$ 32,773.00	50%	\$ 12,680.94	\$ 20,092.05	\$ 56,782.92	\$ 28,391.46	\$ 41,072.40
7	102,887	90,455	79,860	88%	\$ 1,619,752.65	2.0638	\$ 33,428.46	50%	\$ 14,756.49	\$ 18,671.97	\$ 56,782.92	\$ 28,391.46	\$ 43,147.95
8	102,887	90,455	79,860	88%	\$ 1,652,147.70	2.0638	\$ 34,097.02	50%	\$ 15,051.62	\$ 19,045.41	\$ 56,782.92	\$ 28,391.46	\$ 43,443.08
9	102,887	90,455	79,860	88%	\$ 1,685,190.66	2.0638	\$ 34,778.96	50%	\$ 15,352.65	\$ 19,426.31	\$ 56,782.92	\$ 28,391.46	\$ 43,744.11
10	102,887	90,455	79,860	88%	\$ 1,718,894.47	2.0638	\$ 35,474.54	50%	\$ 15,659.70	\$ 19,814.84	\$ 56,782.92	\$ 28,391.46	\$ 44,051.16
* 2% increase annually in EAV							\$ 325,026.17		\$ 152,397.86	\$ 172,628.31	\$ 476,266.66	\$ 170,348.76	\$ 322,746.62

*This worksheet is for illustrative purposes only. The actual Incentives will be based on Rock Island County Assessment, City of Moline actual Property Tax Levy and actual Loan Interest Rate and Terms

* Years 4-10 rentable area is only if space is available for divvyDOSE to rent. Company rebate and all other calculations will be adjusted to reflect the amount actually rented by divvyDOSE at the time payment is due.

EXHIBIT D
PROJECT SCHEDULE

- Step 1 – City of Moline approval
- Step 2 - State application approval
- Step 3 - Sign lease with LRC
- Step 4 - Ready space for initial employee move
- Step 5 - Move all non-fulfillment staff to new location and stabilize operations
- Step 6 - Commence Site Improvements for fulfillment space
- Step 7 – Illinois Board Site Visit and Approval
- Step 8 - Upon Illinois Board Approval, bring in new equipment and run parallel fulfillment process but starting with just IL customers at new location
- Step 8a - Commence application / notification process to other states
- Step 9 - Transition remaining equipment to new location

EXHIBIT E
LOAN DOCUMENTS

<Promissory Note and Loan Documents to be added in the future as the
Loan is finalized and Collateral determined>