

City of Springfield, Illinois

Tax Increment Finance Report

For Fiscal Year Ending February 28, 2010



**FY 2010
ANNUAL TAX INCREMENT FINANCE REPORT**

Name of Municipality: **City of Springfield**
 Unit Code: **083/120/30**
 County: **Sangamon**

Reporting Fiscal Year: **2010**
 Fiscal Year End: **02/28/2010**

TIF Administrator Contact Information

First Name: **Michael J. Farmer, TIF Administrator**
 Address: **800 East Monroe, Room 107**
 City: **Springfield, Illinois**
 Zip: **62701**
 Telephone: **(217) 789-2377**
 E-Mail: **michael.farmer@cwlp.com**

I attest to the best of my knowledge, this report of the redevelopment project areas in the:
City of Springfield
 is complete and accurate at the end of this reporting fiscal year under the Tax Increment Allocation
 Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.]
 or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Michael J. Farmer _____ 10-4-10
Date
 TIF Administrator

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONLY ONCE (PER MUNICIPALITY), ADD ADDITIONAL ROWS AS NECESSARY		
Name of Redevelopment Project Area	Date Designated	Date Terminated
Central Area (Downtown) RPA	11/29/1981	12/27/2016
Fiat Allis Complex (Park South) RPA	11/07/1989	11/07/2012
Near North Crossing	08/02/1994	12/31/2009
Far East Side	02/23/1995	02/22/2018
Enos Park Neighborhood	12/16/1997	12/15/2020
SHA (Madison Park Place) RPA	12/16/1999	02/17/2022
Northeast	12/02/2003	12/01/2026
Jefferson Crossing	09/07/2007	09/07/2030

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]



**CENTRAL AREA
(DOWNTOWN)**

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

Name of Redevelopment Project Area:	Central Area (Downtown)
Primary Use of Redevelopment Project Area*:	Central Business District
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/>	Industrial Jobs Recovery Law <input type="checkbox"/>

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		X
Cumulatively, have deposits of incremental revenue equal to or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9) If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		X
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose a copy of the intergovernmental agreements labeled Attachment M	X	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
Provide an analysis of the special tax allocation fund.

Reporting Year	Cumulative
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Fund Balance at Beginning of Reporting Period

\$ 9,492,143

Revenue/Cash Receipts Deposited in Fund During Reporting FY:

			% of Total
Property Tax Increment	\$ 4,012,473	\$ 57,552,067	78%
State Sales Tax Increment		\$ 3,119,513	4%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 133,840	\$ 6,931,376	9%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources		\$ 246,958	0%
Private Sources			0%
Other (Rent, Loan repayments & State DCCA Grant)	\$ 170,680	\$ 6,313,011	9%

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period

\$ 4,316,993

Cumulative Total Revenues/Cash Receipts

\$ 74,162,925	100%
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Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

\$ 5,424,744

Distribution of Surplus

\$ -

Total Expenditures/Disbursements

\$ 5,424,744

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS

\$ (1,107,751)

FUND BALANCE, END OF REPORTING PERIOD

\$ 8,384,392

- if there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))
ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
 (by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]

	Reporting Fiscal Year	
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Salary & Fringes	314,941	
Administration	17,890	\$ 332,831
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		\$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		\$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling and replacement of existing public buildings. Subsection (q)(3) and (o)(4)		\$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
Projects	5,091,913	\$ 5,091,913
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		\$ -
7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		\$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		\$ -
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
Awards & Grants		\$ -
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		\$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		\$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		\$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		\$ -
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 5,424,744

Section 3.2 B

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

There were no vendors, including other municipal funds, paid in excess of \$10,000 during the current reporting period.

Name	Service	Amount
A-1 Lock Inc.	Security Cameras	\$68,429
Blackmore & Glunt	Condensing Boilers-MCW	\$53,750
City of Springfield	1908 Race Riot Sculpture	\$14,500
CWLP	Street Lighting-Alley Work	\$1,131,598
Downtown Restoration Partners	Building Rehab-111 S. 7th	\$74,979
Downtown Springfield Inc.	Retail Stimulus Program	\$10,648
E.L. Pruitt Co.	Butterfly Valve Replacement-MCE	\$115,972
Ferry & Associates Architects	Architectural Services	\$64,811
George E. Dinges	Building Rehab-401-403 E. Adams	\$154,000
Hanson Professional Services	Architectural Services	\$31,199
HDR Engineering, Inc.	Engineering -HVAC-MCW	\$58,480
Howard L. White & Associates	Streetscape Benches	\$177,121
Illinois State Chamber	Building Rehab-215 E. Adams	\$78,314
Lewis House, LLC	Foundation Work-503 S. 7th	\$284,825
LSA Associates, Inc.	Railway Corridor Study	\$44,366
Mansfield Electric Co.	Variable frequency Drive-MCE	\$20,820
N. Richard King & M. Kay King	Building Rehab-525-527 E. Washington	\$419,380
National Museum of Surveying	Building Rehab-2 Old State Capitol North	\$16,363
PH Broughton & Sons, Inc.	Bituminous Overlay Program	\$117,594
Petersburg Plumbing & Heating	Boiler Installation-MCW	\$120,866
Pinnacle LTD Partnership	Building Rehab-700 E. Adams	\$343,260
R.L. Vollintine Construction	Building Rehab-300 S. 7th	\$178,054
Sangamo Construction	Streetscape Work	\$181,311
Sangamon County Treasurer	Property Tax Refund	\$700,000
Second and Jefferson LLC	Security Lights & Fencing-2nd & Jefferson	\$29,887
Statehouse Management, LLC	Demo & Site Clearance-125 E. Adams	\$478,000
Tennant Company	Sidewalk Sweeper	\$25,400

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))
Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period
(65 ILCS 5/11-74.4-5 (d) (5) (D) and 65 ILCS 5/11-74.6-22 (d) (5) (D))

FUND BALANCE, END OF REPORTING PERIOD \$ 8,384,392

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		

Total Amount Designated for Obligations \$ - \$ -

2. Description of Project Costs to be Paid		
Department of Public Works		\$ 131,859
Department of Public Utilities		\$ 2,224,409
Korean War Veterns National Museum		\$ 570,150
National Railroad Passenger Corp.		\$ 571,500
Pinnacle LTD Partnership		\$ 179,970
118-120 Fourth Street, LLC		\$ 6,000
Adams Street Historic Restoration LLC		\$ 939,300
Illinois Community College Board		\$ 155,450
Illinois Building LLC		\$ 410,000
Sangamon County Treasurer		\$ 4,900,000

Total Amount Designated for Project Costs \$ 10,088,638

TOTAL AMOUNT DESIGNATED \$ 10,088,638

SURPLUS*/(DEFICIT) \$ (1,704,246)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts (See

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X No property was acquired by the Municipality Within the Redevelopment Project Area

Property Acquired by the Municipality Within the Redevelopment Project Area

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)

Please include a brief description of each project.

_____ No Projects Were Undertaken by the Municipality Within the Redevelopment Project Area

	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Estimated Cost of the Total Project
TOTAL:			
Private Investment Undertaken (See Instructions)	\$ 138,374,818	\$ -	\$ 138,374,818
Public Investment Undertaken	\$ 28,947,110	\$ 3,097,007	\$ 32,044,117
Ratio of Private/Public Investment	4 71/91		4 7/22
Project 1: Projects Closed Out In Previous Years			
Private Investment Undertaken (See Instructions)	\$ 129,587,521		\$ 129,587,521
Public Investment Undertaken	\$ 21,554,745		\$ 21,554,745
Ratio of Private/Public Investment	6 1/83		6 1/83
Project 2: Downtown Restoration Partners-111 S. 7th			
Private Investment Undertaken (See Instructions)	\$ 31,238		\$ 31,238
Public Investment Undertaken	\$ 74,979		\$ 74,979
Ratio of Private/Public Investment	5/12		5/12
Project 3: 118-120 Fourth Street			
Private Investment Undertaken (See Instructions)	\$ 911,842		\$ 911,842
Public Investment Undertaken	\$ 229,038	\$ 18,000	\$ 247,038
Ratio of Private/Public Investment	3 52/53		3 47/68
Project 4: MCE/MCW HVAC Upgrades			
Private Investment Undertaken (See Instructions)			\$ -
Public Investment Undertaken	\$ 371,328		\$ 371,328
Ratio of Private/Public Investment	0		0
Project 5: George Dinges-401-403 E. Adams			
Private Investment Undertaken (See Instructions)	\$ 30,320		\$ 30,320
Public Investment Undertaken	\$ 154,000		\$ 154,000
Ratio of Private/Public Investment	13/66		13/66
Project 6: Illinois State Chamber-215 E. Adams			
Private Investment Undertaken (See Instructions)	\$ 329,828		\$ 329,828
Public Investment Undertaken	\$ 78,314		\$ 78,314
Ratio of Private/Public Investment	4 11/52		4 11/52
Project 7: Lewis House, LLC-503 S. 7th			
Private Investment Undertaken (See Instructions)	\$ -		\$ -
Public Investment Undertaken	\$ 284,825	\$ -	\$ 284,825
Ratio of Private/Public Investment	0		0

Project 8: LSA Associates, Inc.-Railroad Study

Private Investment Undertaken (See Instructions)			\$	-
Public Investment Undertaken	\$	44,365	\$	5,165
Ratio of Private/Public Investment		0		0

Project 9: Second and Jefferson, LLC

Private Investment Undertaken (See Instructions)	\$	270,092	\$	270,092
Public Investment Undertaken	\$	29,887	\$	29,887
Ratio of Private/Public Investment		9 1/27		9 1/27

Project 10: Richard & Kay King-525-527 E. Waashington

Private Investment Undertaken (See Instructions)	\$	730,390	\$	730,390
Public Investment Undertaken	\$	437,380	\$	437,380
Ratio of Private/Public Investment		1 2/3		1 2/3

Project 11: National Museum of Survey-2 N. Old State Capitol Plaza

Private Investment Undertaken (See Instructions)	\$	228,087	\$	228,087
Public Investment Undertaken	\$	118,413	\$	118,413
Ratio of Private/Public Investment		1 25/27		1 25/27

Project 12: Pinnacle LTD Partnership-700 E. Adams

Private Investment Undertaken (See Instructions)	\$	5,000,000	\$	5,000,000
Public Investment Undertaken	\$	414,626	\$	179,970
Ratio of Private/Public Investment		12 1/17		8 9/22

Project 13: Statehouse Management LLC-101-125 E. Adams

Private Investment Undertaken (See Instructions)	\$	1,255,500	\$	1,255,500
Public Investment Undertaken	\$	496,429	\$	496,429
Ratio of Private/Public Investment		2 9/17		2 9/17

Project 14: MCW ADA Upgrades-300 S. 7th

Private Investment Undertaken (See Instructions)	\$	-	\$	-
Public Investment Undertaken	\$	290,227	\$	193,670
Ratio of Private/Public Investment		0		0

Project 15: Streetscape & Infrastructure Improvements**Office of Public Utilities & Office of Public Works**

Private Investment Undertaken (See Instructions)	\$	-	\$	-
Public Investment Undertaken	\$	4,368,553	\$	2,700,202
Ratio of Private/Public Investment		0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois.

SECTION 6

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
1981	\$ 49,974,478	\$ 95,717,985

List all overlapping tax districts in the redevelopment project area. If overlapping taxing district received a surplus, list the surplus.

_____ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

SECTION 7

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

SECTION 8

Provide a general description of the redevelopment project area using only major boundaries:

Optional Documents	Enclosed
Legal description of redevelopment project area	No Change from 2009 submission
Map of District	No Change from 2009 submission

ATTACHMENT A

Amendments

There were no new amendments to any of the Tax Increment Finance Districts during this reporting period.

ATTACHMENT B

CEO Certification



OFFICE OF THE MAYOR
CITY OF SPRINGFIELD, ILLINOIS

TIMOTHY J. DAVLIN
MAYOR

August 26, 2010

Mr. Daniel E. Hynes
Comptroller, State of Illinois
Office of the Comptroller
100 W. Randolph, Suite 15-500
Chicago, IL 60601

Dear Mr. Hynes,

In my capacity as Mayor of the City of Springfield, a Illinois municipal corporation, I, Timothy J. Davlin certify that in the preceding fiscal year the City of Springfield, Illinois has complied with all requirement of the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.1 *et seq.*, as amended), as it applies to the following Tax Increment Financing Districts of Springfield, Illinois: Central Area (Downtown), Fiat Allis Complex (Park South), Near North Crossing, Far East, Enos Park, SHA (Madison Park Place), Northeast and Jefferson Crossing in the preceding fiscal year.

Sincerely,

Timothy J. Davlin, Mayor
City of Springfield

ATTACHMENT C

Legal Counsel Opinion

Sr. Assistant Corporation Counsel
Tracy A. Pedersen



Rm. 313 Municipal Center East
800 East Monroe Street
Springfield, IL 62701-1689

Assistant Corporation Counsel
Frank E. Martinez
Angela Fyans-Jimenez
Megan E. Morgan
Linda A. O'Brien
Lucretia A. Pitts

**OFFICE OF CORPORATION COUNSEL
CITY OF SPRINGFIELD, ILLINOIS**

Phone: (217) 789-2393
Fax: (217) 789-2397

JENIFER L. JOHNSON
Corporation Counsel

writer's email:

August 26, 2010

Mr. Daniel E. Hynes
Comptroller, State of Illinois
Office of the Comptroller
100 W. Randolph, Suite 15-500
Chicago, IL 60601

Dear Mr. Hynes,

In my capacity as legal counsel for the City of Springfield, I have reviewed the procedures of the City in relation to the requirements of the Public Act [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)]. In my opinion, the City of Springfield is in compliance with the Tax Increment Allocation Redevelopment act, 65 ILCS 5/11-74.4-1 *et seq.*, and the Industrials Job Recovery Law, 65 ILCS 5/11-74.6-1 *et seq.*, for each redevelopment project area in the City, namely, the Central Area (Downtown), Fiat Allis Complex (Park South), Near North Crossing, Far East, Enos Park, SHA (Madison Park Place), Northeast and Jefferson Crossing Tax Increment Finance Districts.

Sincerely,

Jenifer L. Johnson
Corporation Counsel

ATTACHMENT D

Activities Statement

CENTRAL AREA (DOWNTOWN)

Statement setting forth activities: The City of Springfield provided business rehabilitation assistance to 10 developments totaling \$2,057,062. The City provided streetscape and infrastructure improvement totaling \$2,181,851. The City also returned \$700,000 to the Sangamon County Treasurer for distribution to the overlapping taxing bodies.

FIAT ALLIS (PARK SOUTH)

Statement setting forth activities: The City of Springfield paid the debt service due for the district totaling \$389,431. The City also provided \$61,917 to the developer for property tax reimbursement.

NEAR NORTH CROSSING

Statement setting forth activities: The City of Springfield paid the debt service due for the district totaling \$102,363, and returned \$85,355 to Sangamon County Treasurer as surplus and closed out this tax increment district.

FAR EAST

Statement setting forth activities: The City of Springfield paid the debt service due for the district totaling \$450,255 and \$103,796 to the developer for property tax reimbursement.

ENOS PARK

Statement setting forth activities: The City provided \$357,677 for residential sidewalk improvements, \$177,846 for three residential rehabilitations and \$7,780 to the developer for property tax reimbursement.

SHA (MADISON PARK PLACE)

Statement setting forth activities: The City provided \$209,504 to the Springfield Housing Authority per the intergovernmental agreement for infrastructure reimbursement.

NORTHEAST

Statement setting forth activities: The City paid the debt service due for the district totaling \$343,629.

JEFFERSON CROSSING

Statement setting forth activities: There was no activity in this tax increment district.

ATTACHMENT E

Agreements

REDEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF SPRINGFIELD, ILLINOIS
AND
LEWIS HOUSE, L.L.C.

THIS AGREEMENT, entered into on or as of the 19th day of February, 2009, by and between **CITY OF SPRINGFIELD, ILLINOIS**, a municipal corporation, by and through the Office of Planning and Economic Development (which together with any successor municipal corporation or public body hereinafter designated by or pursuant to law, is hereinafter called "City" or "Office of Planning and Economic Development"), exercising its governmental powers pursuant to the 1970 Constitution of the State of Illinois, and having its office at 800 East Monroe Street, Springfield, Illinois 62701, and **LEWIS HOUSE, L.L.C.**, whose address is 503 South Seventh Street, Springfield, Illinois, 62701, hereinafter called "Redevelopers".

WITNESSETH

WHEREAS, the City has adopted a program for the Redevelopment Project Area (as hereinafter defined) known as the Central Area Tax Increment Redevelopment Plan, in the City of Springfield, pursuant to "The Tax Increment Allocation Redevelopment Act, as amended" 65 ILCS 5/11-74.4-1, et seq. (hereinafter referred to as the "Act"); and

WHEREAS, pursuant to the provisions of the Act, the City, has adopted a Tax Increment Redevelopment Plan and Project (hereinafter referred to as the "Plan") pertaining to the redevelopment of the downtown area, a copy of which Plan is on file with the City Clerk of the City of Springfield; and

WHEREAS, the Redevelopers have acquired certain real property located at 503 South Seventh Street in Springfield, Illinois, and desire to construct a foundation thereon; and

WHEREAS, in order to enable the City to achieve the objectives of the Plan in accordance with the uses set forth therein, the City intends to assist the Redevelopers with rehabilitation of the aforesaid property; and

WHEREAS, the City believes that the project is in the best interest of the City and the health, safety, morals and welfare of its residents, and in accordance with the public purposes and provisions of the applicable federal, state, and local laws; and

WHEREAS, the Redevelopers have represented that they possess the experience and qualifications to undertake this project and the City, therefore, deems it appropriate to enter into this Agreement with Redevelopers; and

WHEREAS, it is contemplated that pursuant to this Agreement, the City shall provide the Redevelopers financial assistance in a total amount not to exceed Two Hundred Seventy-Nine Thousand Eight Hundred Forty-Five and no/00 (\$279,845.00) to assist Redevelopers with construction of a foundation on the aforementioned property utilizing tax increment financing in accordance with the Act; and

WHEREAS, the Redevelopers are willing to develop the Site upon the terms set forth herein.

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

SECTION 1: DEFINITIONS

A. Definition of Terms

Certain terms used in this Agreement shall have the following meanings unless their content or use clearly indicates otherwise. Other terms may also be defined elsewhere in this Agreement.

"Act" means the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., and as it amended and supplemented from time to time.

"Agreement" means this Redevelopment Agreement and all addenda and exhibits hereto...

"Authorized Representative" means such person as from time to time designated to act on behalf of the Redevelopers in a written certificate furnished to the Office of Planning and Economic Development, containing the specimen signature of such person and signed on behalf of the Redevelopers by a corporate officer or partner or other representative, as appropriate. Such certificate may designate an alternate or alternates.

"City" means the City of Springfield, Illinois.

"Plan" shall have the meaning set forth in the preamble to this Agreement.

"Project" means the construction of a foundation on the property located at 503 South Seventh Street, in accordance with the terms and conditions of this Agreement and the law.

"Project costs" means only those costs as specified in the particular provision.

"Redevelopers" means Lewis House, L.L.C., and its successors or assigns hereunder.

"Redevelopment Assistance", sometimes "Assistance", means any payments to be made to Redevelopers from Tax Increment Available Funds for the Project.

"Redevelopment Project Area" means the City of Springfield Central Area Redevelopment Project Area, as adopted by the City.

"Site" means the real property located at 503 South Seventh Street, Springfield, Illinois, at which the Project is to be located.

B. Construction of Words

The words "hereof," "herein," "hereunder," and other words of similar import refer to this Agreement as a whole.

Unless otherwise specified, references to articles, sections and other subdivisions of this Agreement are to the designated articles, sections and other subdivisions of this Agreement as originally executed.

The headings of this Agreement are for the convenience of reference only and shall not define or limit the provisions hereof.

SECTION 2: PURPOSE OF AGREEMENT AND REDEVELOPMENT ASSISTANCE

A. Purpose of Agreement

The purpose of this Agreement is to provide funds to Redevelopers in order to develop the Site consistent with the terms and conditions of this Agreement.

B. Redevelopment Assistance to the Redevelopers

1. The City agrees, upon the terms and conditions in this Agreement, to provide assistance from tax increment financing in an amount not to exceed Two Hundred Seventy-Nine Thousand Eight Hundred Forty-Five Dollars and no/00 (\$279,845.00) to assist Redevelopers with construction of a foundation (including architectural, engineering and legal fees) on the real property located at 503 South Seventh Street, Springfield, Illinois. Said assistance shall only be used by Redevelopers for eligible expenses as proscribed in the Central Area Tax Increment Redevelopment Plan and The Tax Increment Allocation Redevelopment Act, as amended 65 ILCS 5/11-74.4-1, et seq.

2. The Assistance to be provided to the Redevelopers shall be in the form of a TIF grant. The City shall provide grant in a total amount not to exceed Two Hundred Seventy-Nine Thousand Eight Hundred Forty-Five Dollars and no/00 (\$279,845.00) to assist Redevelopers with construction of a foundation upon the Site in accordance with the law and this Agreement.

3. All assistance shall only be provided upon City approval of cost receipts and lien waivers submitted to City by the Redevelopers. Redevelopers shall fulfill all contingencies and

request access to funds within twelve (12) months of the date this Agreement is signed by the City. An extension may be granted upon mutual agreement of the parties. If funds are not accessed within the twelve (12) month period, or mutually agreed extension, the City has the right to terminate or suspend all assistance and/ or ordinances. This Agreement does not authorize an expenditure of City funds in excess of the amount authorized by the City Council unless the City Council specifically approves an additional expenditure. Redevelopers agree and acknowledge that absent such prior approval, it proceeds at its own risk with no guarantee of payment if the amount billed to the City exceeds the amount authorized by the City Council.

C. Undertaking of Redevelopers

The Redevelopers agree to rehabilitate the Site in accordance with the law and this Agreement. Redevelopers further agree to invest gross funds in sufficient amounts to complete the Project.

SECTION 3: CONDITIONS PRECEDENT TO RECEIVING DEVELOPMENT ASSISTANCE

Prior to receiving Redevelopment Assistance, the Redevelopers shall furnish to the Office of Planning and Economic Development, the following, all to be satisfactory in both form and substance:

A. All applicable organization documents and filings for the Redevelopers and all resolutions necessary to effect the obligations of the Redevelopers pursuant to this Agreement;

B. Plans, including an updated Site Development Cost Analysis, including bids and estimates for work to be performed, showing all projected costs incidental to completion of the work along with a proposed completion schedule shall be submitted to the Office of Planning and Economic Development no later than sixty (60) days after the signing of this Agreement. All work to be performed shall be let by sealed competitive bidding and shall follow the procedures outlined in Chapter 38 of the City of Springfield, Illinois Code of Ordinances, 1988, as amended. In the event that Redeveloper desires to perform the work itself, it shall obtain three (3) estimates from other contractors. Redeveloper then shall charge its total costs in an amount not to exceed the lowest bid. In the event Redevelopers perform the work pursuant to this paragraph, Redevelopers shall still be required to submit to the City all invoices, timesheets and receipts verifying performance of the work. In all cases, Redevelopers shall retain a copy of all bids and/or estimates received for a period of five (5) years from completion of the Project. The City shall be allowed reasonable access to all such bids and/or estimates.

C. Internal Revenue Service taxpayer identification number for the Redevelopers;

D. If applicable, a Certificate of Authority to do business in the State of Illinois;

E. A duly recorded deed granting 503 South Seventh Street to Lewis House, L.L.C.;

F. Documentation and verification that Redevelopers have paid State Prevailing Wage for the Project;

G. Copies of all contracts, itemized invoices and paid receipts to verify expenses for the Project. All receipts must be separated by specific project;

H. Such other documents, resolutions and other items reasonably required by the City.

SECTION 4: REDEVELOPERS OBLIGATIONS AND RIGHTS

A. Conformance to Federal, State and Local Requirement

All work shall conform with all applicable Federal, State and local laws, regulations, and ordinances including but not limited to building codes, prevailing wage laws, subdivision, zoning and life safety codes.

B. Changes in Plans

If, during the course of initial construction, the Redevelopers desire to make any changes in any portion of the work, which materially affects the appearance, function, or implementation of the work, the Redevelopers shall submit the proposed change to the City for its approval.

C. Time Limitations

The rehabilitation work referred to herein shall commence no later than five days after this Agreement is approved by the City Council and be completed no later than March 30, 2010, unless otherwise mutually agreed to in writing by the parties. All invoices and paid receipts shall be submitted to the City within 3 months after completion of the project, unless otherwise mutually agreed to in writing by the parties.

D. Commencement and Completion Requirements

The Redevelopers agree for itself, its successors and assigns, that it shall promptly begin and diligently prosecute the completion of the work.

E. Progress Reports

Until completion of the work has been made, the Redevelopers shall make progress reports to the Office of Planning and Economic Development on a bi-monthly basis in such detail as may be reasonably requested by the Office of Planning and Economic Development. Such progress reports may take the form of an AIA Contractor's Affidavit or by any other means approved by the Office of Planning and Economic Development.

F. Redevelopers Responsibility

It is expressly understood that the Redevelopers shall bear the sole responsibility of ascertaining whether or not the work was done in an appropriate manner consistent with the law and consistent with all other requirements of this Agreement. Redevelopers agree that all work must be completed in conformity with applicable laws.

G. No Obligations of City of Springfield

The Redevelopers acknowledge and understand that the City shall not have any obligation whatsoever with respect to completion of the work, expressly including any environmental clean-up which may be required under any environmental laws or regulations. The Redevelopers also acknowledge and understand that this Agreement does not result in any contractual obligation by the City for approval of permits, licenses, plans, etc. that may be necessary for completion of the Project.

H. Certificate of Completion

Promptly after completion of the Project, Redevelopers shall provide to the Office of Planning and Economic Development, a Certificate of Final Completion executed by Redevelopers, certifying that the Project has been completed in accordance with the approved plans and specifications, and has been performed in a good and workmanlike manner and in accordance with all applicable governmental requirements. Said Certificate may be executed by Redeveloper's designated project architect only if Redeveloper provides to the City written authorization of such designation. If the Office of Planning and Economic Development disputes the sufficiency or accuracy of the Certificate of Final Completion, the Office of Planning and Economic Development shall, within thirty (30) days after receipt of such Certificate, provide Redevelopers with a written statement indicating in what respects Redevelopers have failed to perform the relevant work in accordance with the provisions of this paragraph.

I. Recapture of Grant Funds

If the Redevelopers do not comply with this Agreement, the Redevelopers shall, within sixty (60) days of notice of default by the City, repay to the City the amount of any funds disbursed. The City shall have the right to enforce this Agreement by an action at law or in equity, for any form of relief that may be available under Federal, State or local law including recapture of all grant proceeds disbursed.

J. Lien Waivers & Prevailing Wage

Redevelopers expressly agree that any construction or rehabilitation work performed within the Redevelopment area which is funded by tax increment funds or other public funds shall be performed at a rate of employee pay (whether the work is contracted or subcontracted to third parties) equal to and consistent with the rates established under the Illinois prevailing wage law. All contracts issued for such work shall expressly contain the requirements of this provision. All contracts for construction pursuant to the construction work shall provide that all contractors

and subcontractors furnish contractor's affidavits in the form provided by state statute and that the waivers of lien be required for all payments made, and Redevelopers agree to require all contractors and subcontractors to comply with the requirements of the Plan, this Agreement and the state Prevailing Wage Law.

K. Visitability Requirements

If the Assistance provided for in this Agreement is for (i) labor or materials for the new construction of a single-family or two-family structure; (ii) acquisition of a parcel of land upon which a new single-family or two-family structure is to be constructed; or (iii) a conveyance by the City of a parcel of land upon which a new single-family or two-family structure is to be constructed where the consideration is less than 80% of the appraised value of the parcel of land, then the requirements of Chapter 177 of the 1988 City of Springfield Code of Ordinances, as amended, (the "City Code") shall apply. Redeveloper agrees to comply with all said requirements. Failure to comply with Chapter 177 of the City Code shall be considered a material breach of this Agreement, and the City may pursue any remedy under law, including but not limited to prosecution of the City Code violation, and termination of this Agreement. In addition, such failure to comply shall, at the option of the City, result in immediate repayment by Redeveloper of all assistance funds provided under this Agreement

L. Disclosure of Information

If the Assistance provided for in this Agreement is in excess of \$500,000.00, Redevelopers shall provide to the City the following:

- (1) A complete, accurate, and truthful listing and description of all citations, complaints, summons, decisions, determinations, judgments, or other allegations or findings relating to any violation of state or federal laws, which protect the health, safety, or welfare of workers, including but not limited to the Occupational Health and Safety Act, the Family and Medical Leave Act, the Fair Labor Standards Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the National Labor Relations Act, the Federal Civil Rights Act, the Illinois Human Rights Act, the Illinois Wage and Hour Law, and the Prevailing Wage Act, filed against it or any entity, including joint ventures and partners, and also including parent and subsidiary corporations or entities; and
- (2) A statement that Redevelopers and each contractor (including sub-contractors) performing work for the Project are a participant or are qualified to be a participant in applicable apprenticeship and training programs approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.

SECTION 5: REPRESENTATIONS OF THE REDEVELOPERS

The Redevelopers represent, warrant and agree as the basis for the undertakings on their part herein contained as follows:

A. Organization and Authorization

The Redevelopers represent and warrant that they are qualified to do business in the State of Illinois and have power to enter into and by proper action have been duly authorized to execute and deliver this Agreement.

B. Non-Conflict or Breach

Redevelopers represent and warrant that the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement, do not conflict with or result in a breach of any of the terms, conditions, or provisions of any restrictions, agreement or instrument to which it is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon the Site or upon any assets of it under the terms of any instrument or agreement to which it is now a party or by which it is bound.

C. Restriction on Redevelopment Assistance Funds

None of the proceeds of the Tax Increment Funds will be used to provide working capital for the Redevelopers within the meaning of Section 103(b) of the Internal Revenue Code and the Regulations promulgated thereunder.

D. Non-Impairment of Federal Income Tax Exemption

The Redevelopers will not cause the Tax Increment Funds to be utilized in such a manner as to, or take any action which would impair the exemption from federal income taxation of the interest on outstanding bonds, issued, or to be issued by the City.

E. Certifications

The Redevelopers certify that no person directly associated with the Project has been convicted of a felony, or, if so convicted, at least five years have passed since completion of sentence as of the effective date of this Agreement, unless no person held responsible by a prosecutorial office for the facts upon which the conviction was based continues to have any involvement with the Redevelopers. 30 ILCS 500/50-10.

The Redevelopers certify in accordance with 30 ILCS 500/50-10.5 that no officer, director, partner or other managerial agent of the Redevelopers has been convicted of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of five years prior to the date of the bid contract. The Redevelopers acknowledge that the City shall declare this Agreement void if this certification is false.

SECTION 6: ADDITIONAL COVENANTS OF THE REDEVELOPERS

A. Redevelopers Existence; Operation of the Site

The Redevelopers and their successors and assigns will at all times operate or continue the operation of the Site so that it constitutes a "redevelopment project" within the meaning of the Act and in accordance with the Central Area Tax Increment Redevelopment Plan.

B. Indemnification Covenants

The Redevelopers agree for themselves, successors and assigns, to indemnify and save the City and its officers and employees harmless against all claims by or on behalf of any person, firm or corporation, arising (i) from the conduct or management of, or from any work or thing done on, or any work or activity connected to the Site; (ii) any breach or default on the part of the Redevelopers or their successors or assigns in the performance of any of its obligations under or in respect of this Agreement; (iii) any act or omission, including negligence, of the Redevelopers or any of its agents, contractors, servants, employees or licensees; (iv) any violation by the Redevelopers or their successors or assigns of any laws, statutes, easements, conditions, restrictions, building regulations, zoning ordinances, environmental statutes and regulations or land use regulations affecting the Site or the Project; (v) any act or omission, including negligence, of any assignee, lessee or sublessee of the Redevelopers, or any agents, contractors, servants, employees or licensees of any assignee, lessee, or sublessee of the Redevelopers; (vi) any violation by the Redevelopers of state or federal securities law in connection with the offer and sale of shares, memberships or partnerships in the Redevelopers or any part of the Site; or (vii) any performance by the City of any act requested by the Redevelopers or their successors and assigns other than willful misconduct of the City. The Redevelopers agree to indemnify and save the City harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon. In case any such claim shall be made or action brought based upon any such claim in respect of which indemnity may be sought against the Redevelopers, upon receipt of notice in writing from the City setting forth the particulars of such claim or action, the Redevelopers shall assume the defense thereof including the employment of counsel and the payment of all costs and expenses. The City shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the City unless the employment of the counsel has been specifically authorized by the Redevelopers.

C. Fees

The Redevelopers will pay and keep current all City fees in the nature of sewer user fees, permit fees and the like, that may from time to time apply to the Site, provided, however, said party may, after giving notice to the City, and after posting bond or other security satisfactory to the City in its reasonable judgment, at its own expense, contest in good faith such fees in which event it may permit such fees to remain unpaid during the period of such contest and any appeal therefrom.

D. Use Maintenance

Redevelopers will use the Site consistent with the Plan adopted by the City. The Redevelopers shall also maintain the Project as provided herein.

E. Taxes

During the existence of the Tax Increment Financing District, the Redevelopers will not protest any real estate assessments or real estate taxes on the Site without the express written consent of the Mayor or his designee. It is expressly intended that the covenant made in this Section shall be a covenant remaining with the land for the benefit of and enforceable by the City.

F. Participate in Hearing

The Redevelopers will participate in any public hearing(s) necessary for the implementation of the Plan as related to this Project.

G. Payment of Taxes

During the term of this Agreement, the Redevelopers shall promptly pay all real estate taxes and sales taxes.

H. Record Memo

The Redevelopers will execute a memorandum of this Agreement to be recorded in the records of the Office of the Recorder of Deeds, Sangamon, County, Illinois, indicating in substance that the Site is subject to the terms and conditions of this Agreement.

I. Conveyances

a. The Redevelopers will not transfer or assign all or any part of its interest in this Agreement without the express written consent of the Mayor or his/her designee.

b. During the existence of the Tax Increment Financing District, the Redevelopers agree that all conveyances shall be to persons and/or legal entities, which are not exempt from ad valorem taxes levied against taxable real property located at the Site.

J. Insurance

The Redevelopers agree to maintain all necessary insurance with respect to the site in sufficient amount to protect both the interests of the City and Redevelopers to and on the site.

K. Maintenance and Repair

The Redevelopers agree that they shall keep, maintain and repair in good fashion the improvements to be constructed on the Site.

L. No Damages for Delay

The Redevelopers agree to make no claim for damages for delay in the performance of this Agreement occasioned by any act or omission to act of the City or any of its representatives, or because of any injunction which may be brought against the City or its representatives, and agrees that any such claim shall be fully compensated for by an extension of time to complete performance of the work as provided herein.

SECTION 7: COMMENCEMENT AND COMPLETION

A. Commencement and Completion

Redevelopers shall cause the work to be commenced and to be prosecuted with due diligence and in good faith, and without delay. Redevelopers shall cause the work to be completed in a good and workmanlike manner in accordance with, and in all respects compliant with, all applicable laws, rules, permits, requirements, and regulations of any governmental agency or authorities having or exercising jurisdiction over the Site including all environmental statutes and regulations.

B. Contract Prohibitions

Unless otherwise previously agreed by the City in writing, all contracts let by Redevelopers or Redevelopers contractor in connection with the Project shall contain a prohibition against any material change in the plans without the Office of Planning and Economic Development's prior written consent being had thereto, which consent shall not be unreasonably withheld.

SECTION 8: LIABILITY AND RISK INSURANCE

A. Liability Insurance

Prior to any disbursement from the Redevelopment Assistance, Redevelopers or Redevelopers contractor shall procure and deliver to the City and shall maintain in full force and effect until each and every one of the obligations of Redevelopers contained herein has been fully paid, or performed, a policy or policies of comprehensive liability insurance and during any period of construction, demolition and/or rehabilitation, contractor's liability insurance under the comprehensive liability insurance to be not less than One Million Dollars (\$1,000,000) each occurrence and Five Million Dollars (\$5,000,000) total, and workmen's compensation insurance with employer's liability coverage, all such policies to be in such form and issued by such companies as shall have been approved in writing by City (which approval shall not be unreasonably withheld) to protect City and Redevelopers against any liability incidental to the

use of or resulting from any accident occurring in or about the Site or the demolition and site preparation work, the improvements or the construction and improvements thereof. Each such policy shall contain an affirmative statement by the issuer to give written notice to City at least thirty (30) days prior to any cancellation or amendment of its policy.

B. Risk Insurance

Additionally, the Redevelopers or Redevelopers contractor, shall procure and deliver to City and shall maintain in full force and effect until each of the obligations of Redevelopers contained herein has been fully paid or performed, a policy or policies during construction, of builders risk insurance and following construction, a policy or policies insuring against risk or loss, including but not limited to insurance against loss of rental revenue, fire and extended coverage, vandalism and malicious mischief, with a proper mortgagee clause in such amounts, sufficient to secure the mortgage of the City and on a form and issued by such companies as shall have been approved in writing by an officer of the City (which approval shall not be unreasonably withheld) and which names the City as an additional insured. Each policy shall contain an affirmative statement by the insurer thereunder to give written notice to City at least thirty (30) days prior to any cancellation or amendment of its policy.

SECTION 9: RIGHTS OF INSPECTION: AGENCY

The City or its designee shall have the right at any time and from time to time during business hours upon reasonable notice to enter upon the Site for the purposes of inspection provided that the City and its agents shall not interfere with the work and shall abide by the rules of the Redevelopers or its contractor or subcontractors for the protection of workers or visitors, and to ensure compliance with applicable laws. If the City, in its reasonable judgment, determines that any work and materials are not in conformity with the Plans as the same were theretofore approved in writing by City, or with any applicable laws, regulations, permits, requirements or rules of any governmental authority having or exercising jurisdiction thereover or not otherwise in conformity with sound building practice, City shall promptly notify Redevelopers in writing of same and the Redevelopers shall cause such deficiency to be corrected.

SECTION 10: EVENTS OF DEFAULT AND REMEDIES

A. Events of Default

The following shall constitute Events of Defaults with respect to this Agreement:

1. Representations

If any material representation made by the Redevelopers or the City in this Agreement, or in any certificate, notice, demand or request made by a party hereto, in writing and delivered to another party hereto pursuant to or in connection with any of said documents shall prove to be untrue or incorrect in any material respect as of the date made; or

2. Breach

Default in the performance or breach of any covenant, warranty or obligation of a party in this Agreement or in any other instrument executed by the Redevelopers to the benefit of City and continuance of such default or breach for a period of thirty (30) days after another party hereto has given written notice thereof to such defaulting party hereto unless the other parties hereto shall agree to an extension of such time; or

3. Involuntary Bankruptcy

The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of a party hereto in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of a party hereto for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days; or

4. Voluntary Bankruptcy

The commencement by a party hereto of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by any such entity to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Redevelopers or of any substantial part of such entity's property, or the making by an such entity of any assignment for the benefit of creditors or the failure of the Redevelopers in furtherance of any of the foregoing.

B. Remedies on Default

1. Specific Performance or Damages

Upon the occurrence of any Event of Default, the City may institute such proceedings as may be necessary or desirable at its option to cure or remedy such default or breach, including but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations. Redevelopers hereby waive any right to claim: consequential, exemplary, equitable, loss of profits, punitive or tort damages.

2. Restore Positions

In case any party hereto shall have proceeded to enforce its right under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the said moving party, then and in every such cause the Redevelopers and the City shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Redevelopers and the City shall continue as though no such proceeding have been taken.

C. Agreement to Pay Attorney's Fees and Expenses

In the event Redevelopers should default under any of the provisions of this Agreement and City incurs expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of my obligation or agreement on the part of the defaulting party herein contained, the Redevelopers agree that it will on demand therefore pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

D. Non-Payment of Real Estate Taxes or Sales Taxes

In the event that real estate taxes or sales and use taxes owed by the Redevelopers are not paid within thirty (30) days from the date that said taxes are due and owing during the term of this Agreement, the City, may, at its option, (a) make payment to the special tax allocation fund pertaining to the Redevelopment Project Area in which the Site is located a sum in the amount equal to the sum which the special tax allocation fund would have received from the real property taxes or sales and use taxes had the real estate taxes or sales and use taxes been paid, or (b) make payment of the real property taxes due and owing on the Site. The amounts so advanced by the City shall be immediately due and owing from the Redevelopers to the City and shall bear interest from the date of payment at the rate of local prime as stated by Bank of Springfield on a per annum basis until paid. The City shall have a lien against the Site for all amounts paid together with interest and all expenses incurred in the recovery of said amounts. The City may bring such actions as it may deem appropriate to enforce payment and/or foreclose the lien against the Site.

SECTION 11: OTHER RIGHTS AND REMEDIES OF CITY: NO WAIVER BY DELAY

A. No Waiver by Delay

Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its right under this Agreement shall not operate to act as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the City hereto should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this Section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope to otherwise resolve the problems created by the default involved; nor shall any waiver in fact made by the City hereto with respect to any specific default by the Redevelopers under this Section be considered or treated as a waiver of the rights of the City, with respect to any other defaults by the Redevelopers under this Section or with respect to any defaults under any Section in this Agreement or with respect to the particular default, except to the extent specifically waived in writing by the City.

B. Rights and Remedies Cumulative

The rights and remedies of the parties to this Agreement (or their successors in interest) whether provided by law or by this Agreement, shall be cumulative, and the exercise by any

party of any one or more of such remedies shall not preclude the exercise by it, at the time or different times, of any other such remedies for the same default or breach by the defaulting party.

SECTION 12: DELAY IN PERFORMANCE

For the purposes of any of the provisions of this Agreement neither the City nor the Redevelopers, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the completion of the work for redevelopment or progress in respect thereof, in the event of enforced delay in the performance of such obligation due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to acts of God, acts of the public enemy, acts of federal, state, or local government, acts of the other party, fires, floods, epidemics, quarantine restrictions, labor disturbances (including strikes or lockouts or concerted activities), embargoes, acts of nature, unusually severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the Redevelopers with respect to completion of work, shall be extended for the period of the enforced delay. Provided, that the party seeking the benefit of the provisions of this Section within thirty (30) days after the beginning of any such forced delay, shall have first notified the other party therefore in writing, of the cause or causes thereof, and requested an extension of the period of enforced delay. Such extensions of schedule shall be agreed in writing by the parties hereto.

SECTION 13: EQUAL EMPLOYMENT OPPORTUNITY

The Redevelopers, for itself and its successors and assigns, agree that during the completion of work provided for in this agreement that the following will apply:

A. Non-Discrimination

The Redevelopers and/or its contractor will not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, age, ancestry, marital status, sexual orientation, or handicap unrelated to ability or national origin. The Redevelopers and/or its contractor will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, ancestry, marital status, sexual orientation, or handicap unrelated to ability or natural origin. Such action shall include but not limited to, the following: employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship, the Redevelopers and/or its contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.

B. Advertising

The Redevelopers and/or its contractor will in all solicitation or advertisements for employees placed by or on behalf of the Redevelopers or its contractor state that all qualified

applicants will receive consideration for employment without regard to race, color, religion, sex, age, ancestry, marital status, sexual orientation, or handicap unrelated to ability or national origin.

C. Non-Compliance

In the event of the Redevelopers non-compliance with the non-discrimination clause of this Section, the City may cancel, terminate or suspend this Agreement in whole or in part.

D. Mandatory Inclusions of Provisions

The Redevelopers shall include the provisions of Subsections "A" and "B" of this Section in every contract or purchase order, and will require the inclusions of these provisions in every subcontract entered into by any of its contractors, so that such provisions will be binding upon each such contractor, subcontractor, or vendor as the case may be.

SECTION 14: TITLES OF ARTICLES AND SECTIONS

Any titles of the several parts, Articles, and Sections of this Agreement are inserted for convenience of references only and shall be disregarded in construing or interpreting any of its provisions.

SECTION 15: CONFLICT OF INTEREST

Unless otherwise specifically authorized by the City Council, no member, officer, or employee of the City or its designees or agents and no member of the governing body of the City during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract or the proceeds thereof, with the respect to which this Agreement shall apply.

SECTION 16: DRAFTS NOT OFFER

No draft of or negotiations regarding this Agreement shall be construed to constitute an offer any party hereto, and no party shall be obligated in connection with the matters stated herein until this Agreement has been executed and delivered by all parties hereto.

SECTION 17: SEVERABILITY

If any provisions of this Agreement are found to be illegal, invalid or unenforceable, the remainder of this Agreement shall not be affected by such finding, and the parties shall negotiate in good faith to agree upon a substitute provision, which substitute provision shall provide to the extent possible under applicable law, the benefits expected to be derived by the parties under this Agreement.

SECTION 18: WRITTEN AMENDMENT REQUIRED: ENTIRE AGREEMENT

No amendment, alteration, modification of or addition to this Agreement shall be valid or binding unless expressed in writing and signed by the party or parties to be bound by such change. This Agreement and the Exhibit (s) hereto contain the entire agreement between the parties.

SECTION 19: NOTICES

Any notice, request, demand, consent, approval or other communication required or permitted under this Agreement must be in writing and will be deemed to have been given when personally delivered or deposited in any depository regularly maintained by the United States Postal Service, postage prepaid, certified mail, return receipt requested, addressed to the party for whom it is intended at the following address:

If to City to: Bissi DiCenso
 Office of Planning and Economic Development
 800 East Monroe Street, Room 107
 Springfield, Illinois 62701

With a copy to: City's Corporation Counsel at:
 Office of Corporation Counsel
 Room 313 Municipal Center East
 800 East Monroe Street
 Springfield, Illinois 62701

If to Redevelopers: Karen Conn, Managing Member
 Lewis House, LLC
 503 South Seventh Street
 Springfield, Illinois 62701

With a copy to: Dan Schuering, Esq.
 Rabin, Myers, Schuering & Hanken, P.C.
 1300 South Eighth Street
 Springfield, Illinois 62703

Any party may add additional addresses or changes its address for purposes of receipt of any such communication by giving five (5) days written notice of such change to the other parties in the manner prescribed in this Article.

SECTION 20: BINDING EFFECT

The covenants, conditions, representations, warranties and agreements contained in this Agreement will bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

SECTION 21: GOVERNING LAW

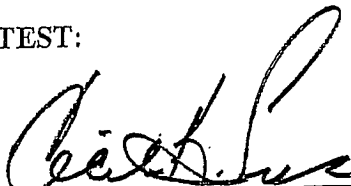
This Agreement shall be construed pursuant to the laws of the State of Illinois. The City and Redeveloper voluntarily and freely submit to a court of competent jurisdiction in Sangamon County, Illinois, should any dispute arise between the City and the Redeveloper. By execution and delivery of this Agreement, each of the parties knowingly, voluntarily and irrevocably (i) waives any right to trial by jury; (ii) agrees that any dispute arising out of this Agreement shall be decided by court trial without a jury; and (iii) agrees that the other party to this Agreement may file an original counterpart or a copy of this Section with any court as written evidence of the consents, waivers and agreement of the parties set forth in this Section.

SECTION 22: COUNTERPARTS

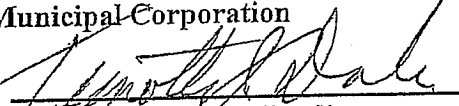
If this Agreement is executed in two or more counterparts, each shall constitute one and the same instrument and shall be recognized as an original instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement and caused their respective seals to be affixed and attested thereto as of the date first written above in this Agreement.

ATTEST:



Cecilia K. Tumulty, City Clerk

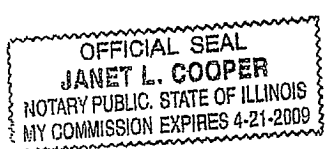
CITY:
CITY OF SPRINGFIELD, ILLINOIS
A Municipal Corporation
By: 

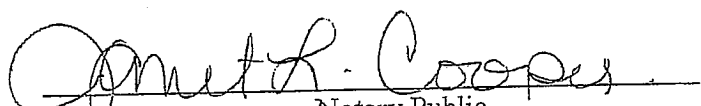
Mayor, Timothy J. Davlin

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, the undersigned, a Notary Public, in and for said County, if the State aforesaid, DO HEREBY CERTIFY that **Timothy J. Davlin**, personally known to me to be the Mayor of the City of Springfield, and **Cecilia K. Tumulty**, personally known to me be the City Clerk of Springfield, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Mayor and City Clerk, they signed and delivered the said instrument as Mayor and as City Clerk of said Municipal Corporation, and caused the seal of said Municipal Corporation to be affixed thereto, pursuant to authority given by the corporate authorities of the City of Springfield for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 20th day of Feb, 2009.





Notary Public

REDEVELOPERS:
LEWIS HOUSE, L.L.C.

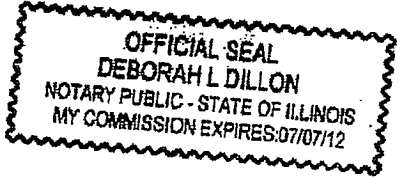
By: Karen Conn, Manager
Karen Conn, Manager

STATE OF ILLINOIS)
) SS.
COUNTY OF SANGAMON)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that Karen Conn, personally known to me to be the Manager of Lewis House, L.L.C. and the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and acknowledged that she signed, sealed and delivered the forgoing instrument as her free and voluntary act, for the uses and purposes therein set forth.

Given under my hand and Notarial Seal this 29 day of January, 2009.

Deborah A. Dillon
Notary Public



REDEVELOPMENT AGREEMENT

BETWEEN

THE CITY OF SPRINGFIELD, ILLINOIS

AND

SECOND & JEFFERSON LLC

THIS AGREEMENT, entered into on or as of the 20th day of July, 2009, by and between **CITY OF SPRINGFIELD, ILLINOIS**, a municipal corporation, by and through the Office of Planning and Economic Development (which together with any successor municipal corporation or public body hereinafter designated by or pursuant to law, is hereinafter called "City" or "Office of Planning and Economic Development"), exercising its governmental powers pursuant to the 1970 Constitution of the State of Illinois, and having its office at 800 East Monroe Street, Springfield, Illinois 62701, and **SECOND & JEFFERSON LLC**, whose address is 229 E. Jefferson Street, Springfield, Illinois, 62701, hereinafter called "Redevelopers".

WITNESSETH

WHEREAS, the City has adopted a program for the Redevelopment Project Area (as hereinafter defined) known as the Central Area Tax Increment Redevelopment Plan, in the City of Springfield, pursuant to "The Tax Increment Allocation Redevelopment Act, as amended" 65 ILCS 5/11-74.4-1, et seq. (hereinafter referred to as the "Act,"); and

WHEREAS, pursuant to the provisions of the Act, the City, has adopted a Tax Increment Redevelopment Plan and Project (hereinafter referred to as the "Plan") pertaining to the redevelopment of the downtown area, a copy of which Plan is on file with the City Clerk of the City of Springfield; and

WHEREAS, the Redevelopers have acquired certain real property located at 228 East Jefferson Street in Springfield, Illinois, and desire to rehabilitate lighting, security and pavement thereon; and

WHEREAS, in order to enable the City to achieve the objectives of the Plan in accordance with the uses set forth therein, the City intends to assist the Redevelopers with rehabilitation of the aforesaid property; and

WHEREAS, the City believes that the project is in the best interest of the City and the health, safety, morals and welfare of its residents, and in accordance with the public purposes and provisions of the applicable federal, state, and local laws; and

WHEREAS, the Redevelopers have represented that they possess the experience and qualifications to undertake this project and the City, therefore, deems it appropriate to enter into this Agreement with Redevelopers; and

WHEREAS, it is contemplated that pursuant to this Agreement, the City shall provide the Redevelopers financial assistance in a total amount not to exceed Twenty-nine Thousand Eight Hundred Eighty-seven Dollars and no/00 (\$29,887.00) to assist Redevelopers with rehabilitation of lighting, security and pavement on the aforementioned property utilizing tax increment financing in accordance with the Act; and

WHEREAS, the Redevelopers are willing to develop the Site upon the terms set forth herein.

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

SECTION 1: DEFINITIONS

A. Definition of Terms

Certain terms used in this Agreement shall have the following meanings unless their content or use clearly indicates otherwise. Other terms may also be defined elsewhere in this Agreement.

“Act” means the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., and as it amended and supplemented from time to time.

“Agreement” means this Redevelopment Agreement and all addenda and exhibits hereto.

“Authorized Representative” means such person as from time to time designated to act on behalf of the Redevelopers in a written certificate furnished to the Office of Planning and Economic Development, containing the specimen signature of such person and signed on behalf of the Redevelopers by a corporate officer or partner or other representative, as appropriate. Such certificate may designate an alternate or alternates.

“City” means the City of Springfield, Illinois.

“Plan” shall have the meaning set forth in the preamble to this Agreement.

“Project” means rehabilitation of the lighting, security and pavement of the property located at 228 East Jefferson Street, Springfield, Illinois, in accordance with the terms and conditions of this Agreement and the law.

“Project costs” means only those costs as specified in the particular provision.

“Redevelopers” means Second & Jefferson LLC, and its successors or assigns hereunder.

"Redevelopment Assistance", sometimes "Assistance", means any payments to be made to Redevelopers from Tax Increment Available Funds for the Project.

"Redevelopment Project Area" means the City of Springfield Central Area Redevelopment Project Area, as adopted by the City.

"Site" means the real property located at 228 East Jefferson Street, Springfield, Illinois, at which the Project is to be located.

B. Construction of Words

The words "hereof," "herein," "hereunder," and other words of similar import refer to this Agreement as a whole.

Unless otherwise specified, references to articles, sections and other subdivisions of this Agreement are to the designated articles, sections and other subdivisions of this Agreement as originally executed.

The headings of this Agreement are for the convenience of reference only and shall not define or limit the provisions hereof.

SECTION 2: PURPOSE OF AGREEMENT AND REDEVELOPMENT ASSISTANCE

A. Purpose of Agreement

The purpose of this Agreement is to provide funds to Redevelopers in order to develop the Site consistent with the terms and conditions of this Agreement. The assistance letter for the Project is attached hereto as Exhibit A, the terms and conditions of which are incorporated herein.

B. Redevelopment Assistance to the Redevelopers

1. The City agrees, upon the terms and conditions in this Agreement, to provide assistance from tax increment financing in an amount not to exceed Twenty-nine Thousand Eight Hundred Eighty-seven Dollars and no/00 (\$29,887.00) to assist Redevelopers with rehabilitation of lighting, security and pavement on the real property located at 228 East Jefferson Street, Springfield, Illinois. Said assistance shall only be used by Redevelopers for eligible expenses as proscribed in the Central Area Tax Increment Redevelopment Plan and The Tax Increment Allocation Redevelopment Act, as amended 65 ILCS 5/11-74.4-1, et seq.

2. The Assistance to be provided to the Redevelopers shall be as follows:

a. Architectural Grant

The City shall provide an architectural assistance grant in a total amount not to exceed \$2,000.00. Prior to providing said assistance, the Owner shall: (1) retain the services of an architect licensed to practice in the State of Illinois for the purpose of planning the historical façade rehabilitation; and (2) present to the City satisfactory evidence of paid invoices from the architect.

b. Rehabilitation Grant

The City shall provide a rehabilitation grant in a total amount not to exceed Twenty-seven Thousand Eight Hundred Eighty-seven and no/00 Dollars (\$27,887.00) to assist Redevelopers with lighting, security and paving improvements upon the Site in accordance with the law and this Agreement.

3. All assistance shall only be provided upon City approval of cost receipts and lien waivers submitted to City by the Redevelopers. Redevelopers shall fulfill all contingencies and request access to funds within twelve (12) months of the date this Agreement is signed by the City. An extension may be granted upon mutual agreement of the parties. If funds are not accessed within the twelve (12) month period, or mutually agreed extension, the City has the right to terminate or suspend all assistance and/ or ordinances. This Agreement does not authorize an expenditure of City funds in excess of the amount authorized by the City Council unless the City Council specifically approves an additional expenditure. Redevelopers agree and acknowledge that absent such prior approval, it proceeds at its own risk with no guarantee of payment if the amount billed to the City exceeds the amount authorized by the City Council.

C. Undertaking of Redevelopers

The Redevelopers agree to rehabilitate the structures situated thereon in accordance with the law and the Assistance Letter. Redevelopers further agree to invest gross funds in sufficient amounts to complete the Project.

SECTION 3: CONDITIONS PRECEDENT TO RECEIVING DEVELOPMENT ASSISTANCE

Prior to receiving Redevelopment Assistance, the Redevelopers shall furnish to the Office of Planning and Economic Development, the following, all to be satisfactory in both form and substance:

A. All applicable organization documents and filings for the Redevelopers and all resolutions necessary to effect the obligations of the Redevelopers pursuant to this Agreement;

B. Plans, including an updated Site Development Cost Analysis, including bids and estimates for work to be performed, showing all projected costs incidental to completion of the

work along with a proposed completion schedule shall be submitted to the Office of Planning and Economic Development no later than sixty (60) days after the signing of this Agreement. All work to be performed shall be let by sealed competitive bidding and shall follow the procedures outlined in Chapter 38 of the City of Springfield, Illinois Code of Ordinances, 1988, as amended. In the event that Redeveloper desires to perform the work itself, it shall obtain three (3) estimates from other contractors. Redeveloper then shall charge its total costs in an amount not to exceed the lowest bid. In the event Redevelopers perform the work pursuant to this paragraph, Redevelopers shall still be required to submit to the City all invoices, timesheets and receipts verifying performance of the work. In all cases, Redevelopers shall retain a copy of all bids and/or estimates received for a period of five (5) years from completion of the Project. The City shall be allowed reasonable access to all such bids and/or estimates.

C. Firm commitments for financing necessary to complete the work, from sources and in the form acceptable to the Office of Planning and Economic Development, or a demonstration of financial capacity sufficient to complete the work;

D. Internal Revenue Service taxpayer identification number for the Redevelopers;

E. If applicable, a Certificate of Authority to do business in the State of Illinois;

F. A duly recorded deed granting 228 East Jefferson Street to Second & Jefferson LLC;

G. Documentation and verification that Redevelopers have paid State Prevailing Wage for the Project;

H. Copies of all contracts, itemized invoices and paid receipts to verify expenses for the Project. All receipts must be separated by specific project;

I. Any other items listed in Exhibit A attached hereto; and

J. Such other documents, resolutions and other items reasonably required by the City.

SECTION 4: REDEVELOPERS OBLIGATIONS AND RIGHTS

A. Conformance to Federal, State and Local Requirement

All work shall conform with all applicable Federal, State and local laws, regulations, and ordinances including but not limited to building codes, prevailing wage laws, subdivision, zoning and life safety codes.

B. Changes in Plans

If, during the course of initial construction, the Redevelopers desire to make any changes in any portion of the work, which materially affects the appearance, function, or implementation of the work, the Redevelopers shall submit the proposed change to the City for its approval.

C. Time Limitations

The rehabilitation work referred to herein shall commence no later than July 30, 2009, and be completed no later December 1, 2009, unless otherwise mutually agreed to in writing by the parties. All invoices and paid receipts shall be submitted to the City within 3 months after completion of the project, unless otherwise mutually agreed to in writing by the parties.

D. Commencement and Completion Requirements

The Redevelopers agree for itself, its successors and assigns, that it shall promptly begin and diligently prosecute the completion of the work.

E. Progress Reports

Until completion of the work has been made, the Redevelopers shall make progress reports to the Office of Planning and Economic Development on a bi-monthly basis in such detail as may be reasonably requested by the Office of Planning and Economic Development. Such progress reports may take the form of an AIA Contractor's Affidavit or by any other means approved by the Office of Planning and Economic Development.

F. Redevelopers Responsibility

It is expressly understood that the Redevelopers shall bear the sole responsibility of ascertaining whether or not the work was done in an appropriate manner consistent with the law and consistent with all other requirements of this Agreement. Redevelopers agree that all work must be completed in conformity with applicable laws.

G. No Obligations of City of Springfield

The Redevelopers acknowledge and understand that the City shall not have any obligation whatsoever with respect to completion of the work, expressly including any environmental clean-up which may be required under any environmental laws or regulations. The Redevelopers also acknowledge and understand that this Agreement does not result in any contractual obligation by the City for approval of permits, licenses, plans, etc. that may be necessary for completion of the Project.

H. Certificate of Completion

Promptly after completion of the Project, Redevelopers shall provide to the Office of Planning and Economic Development, a Certificate of Final Completion executed by

Redevelopers, certifying that the Project has been completed in accordance with the approved plans and specifications, and has been performed in a good and workmanlike manner and in accordance with all applicable governmental requirements. Said Certificate may be executed by Redeveloper's designated project architect only if Redeveloper provides to the City written authorization of such designation. If the Office of Planning and Economic Development disputes the sufficiency or accuracy of the Certificate of Final Completion, the Office of Planning and Economic Development shall, within thirty (30) days after receipt of such Certificate, provide Redevelopers with a written statement indicating in what respects Redevelopers have failed to perform the relevant work in accordance with the provisions of this paragraph.

I. Recapture of Grant Funds

If the Redevelopers do not comply with this Agreement, the Redevelopers shall, within sixty (60) days of notice of default by the City, repay to the City the amount of any funds disbursed. The City shall have the right to enforce this Agreement by an action at law or in equity, for any form of relief that may be available under Federal, State or local law including recapture of all grant proceeds disbursed.

J. Lien Waivers & Prevailing Wage

Redevelopers expressly agree that any construction or rehabilitation work performed within the Redevelopment area which is funded by tax increment funds or other public funds shall be performed at a rate of employee pay (whether the work is contracted or subcontracted to third parties) equal to and consistent with the rates established under the Illinois prevailing wage law. All contracts issued for such work shall expressly contain the requirements of this provision. All contracts for construction pursuant to the construction work shall provide that all contractors and subcontractors furnish contractor's affidavits in the form provided by state statute and that the waivers of lien be required for all payments made, and Redevelopers agree to require all contractors and subcontractors to comply with the requirements of the Plan, this Agreement and the state Prevailing Wage Law.

K. Visitability Requirements

If the Assistance provided for in this Agreement is for (i) labor or materials for the new construction of a single-family or two-family structure; (ii) acquisition of a parcel of land upon which a new single-family or two-family structure is to be constructed; or (iii) a conveyance by the City of a parcel of land upon which a new single-family or two-family structure is to be constructed where the consideration is less than 80% of the appraised value of the parcel of land, then the requirements of Chapter 177 of the 1988 City of Springfield Code of Ordinances, as amended, (the "City Code") shall apply. Redeveloper agrees to comply with all said requirements. Failure to comply with Chapter 177 of the City Code shall be considered a material breach of this Agreement, and the City may pursue any remedy under law, including but not limited to prosecution of the City Code violation, and termination of this Agreement. In addition, such failure to comply shall, at the option of the City, result in immediate repayment by Redeveloper of all assistance funds provided under this Agreement

L. Disclosure of Information

If the Assistance provided for in this Agreement is in excess of \$500,000.00, Redevelopers shall provide to the City the following:

- (1) A complete, accurate, and truthful listing and description of all citations, complaints, summons, decisions, determinations, judgments, or other allegations or findings relating to any violation of state or federal laws, which protect the health, safety, or welfare of workers, including but not limited to the Occupational Health and Safety Act, the Family and Medical Leave Act, the Fair Labor Standards Act, the Americans with Disabilities Act, the Age Discrimination in Employment Act, the National Labor Relations Act, the Federal Civil Rights Act, the Illinois Human Rights Act, the Illinois Wage and Hour Law, and the Prevailing Wage Act, filed against it or any entity, including joint ventures and partners, and also including parent and subsidiary corporations or entities; and
- (2) A statement that Redevelopers and each contractor (including sub-contractors) performing work for the Project are a participant or are qualified to be a participant in applicable apprenticeship and training programs approved by and registered with the United States Department of Labor's Bureau of Apprenticeship and Training.
- (3) A statement that Redevelopers and each contractor (including sub-contractors) performing work for the Project have not been found by the Illinois Department of Labor to be in violation of the Prevailing Wage Act within the two year period immediately preceding the date of the application for Assistance.

If any of the information provided by subsections (1) through (3) above is found to be inaccurate, then the City may, at its sole option and in its sole discretion, terminate this Agreement. Under such circumstances, any and all Assistance provided shall be immediately returned by the Redevelopers to the City.

SECTION 5: REPRESENTATIONS OF THE REDEVELOPERS

The Redevelopers represent, warrant and agree as the basis for the undertakings on their part herein contained as follows:

A. Organization and Authorization

The Redevelopers represent and warrant that they are qualified to do business in the State of Illinois and have power to enter into and by proper action have been duly authorized to execute and deliver this Agreement.

B. Non-Conflict or Breach

Redevelopers represent and warrant that the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of or compliance with the terms and conditions of this Agreement, do not conflict with or result in a breach of any

of the terms, conditions, or provisions of any restrictions, agreement or instrument to which it is now a party or by which it is bound, or constitutes a default under any of the foregoing, or results in the creation or imposition of any prohibited lien, charge or encumbrance whatsoever upon the Site or upon any assets of it under the terms of any instrument or agreement to which it is now a party or by which it is bound.

C. Restriction on Redevelopment Assistance Funds

None of the proceeds of the Tax Increment Funds will be used to provide working capital for the Redevelopers within the meaning of Section 103(b) of the Internal Revenue Code and the Regulations promulgated thereunder.

D. Non-Impairment of Federal Income Tax Exemption

The Redevelopers will not cause the Tax Increment Funds to be utilized in such a manner as to, or take any action which would impair the exemption from federal income taxation of the interest on outstanding bonds, issued, or to be issued by the City.

E. Certifications

The Redevelopers certify that no person directly associated with the Project has been convicted of a felony, or, if so convicted, at least five years have passed since completion of sentence as of the effective date of this Agreement, unless no person held responsible by a prosecutorial office for the facts upon which the conviction was based continues to have any involvement with the Redevelopers. 30 ILCS 500/50-10.

The Redevelopers certify in accordance with 30 ILCS 500/50-10.5 that no officer, director, partner or other managerial agent of the Redevelopers has been convicted of a felony under the Sarbanes-Oxley Act of 2002 or a Class 3 or Class 2 felony under the Illinois Securities Law of 1953 for a period of five years prior to the date of the bid contract. The Redevelopers acknowledge that the City shall declare this Agreement void if this certification is false.

SECTION 6: ADDITIONAL COVENANTS OF THE REDEVELOPERS

A. Redevelopers Existence; Operation of the Site

During the existence of the Tax Increment Financing District, the Redevelopers and their successors and assigns will at all times operate or continue the operation of the Site so that it constitutes a "redevelopment project" within the meaning of the Act and in accordance with the Central Area Tax Increment Redevelopment Plan.

B. Indemnification Covenants

The Redevelopers agree for themselves, successors and assigns, to indemnify and save the City and its officers and employees harmless against all claims by or on behalf of any person, firm or corporation, arising (i) from the conduct or management of, or from any work or thing

done on, or any work or activity connected to the Site; (ii) any breach or default on the part of the Redevelopers or their successors or assigns in the performance of any of its obligations under or in respect of this Agreement; (iii) any act or omission, including negligence, of the Redevelopers or any of its agents, contractors, servants, employees or licensees; (iv) any violation by the Redevelopers or their successors or assigns of any laws, statutes, easements, conditions, restrictions, building regulations, zoning ordinances, environmental statues and regulations or land use regulations affecting the Site or the Project; (v) any act or omission, including negligence, of any assignee, lessee or sublessee of the Redevelopers, or any agents, contractors, servants, employees or licensees of any assignee, lessee, or sublessee of the Redevelopers; (vi) any violation by the Redevelopers of state or federal securities law in connection with the offer and sale of shares, memberships or partnerships in the Redevelopers or any part of the Site; or (vii) any performance by the City of any act requested by the Redevelopers or their successors and assigns other than willful misconduct of the City. The Redevelopers agree to indemnify and save the City harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon. In case any such claim shall be made or action brought based upon any such claim in respect of which indemnity may be sought against the Redevelopers, upon receipt of notice in writing from the City setting forth the particulars of such claim or action, the Redevelopers shall assume the defense thereof including the employment of counsel and the payment of all costs and expenses. The City shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the City unless the employment of the counsel has been specifically authorized by the Redevelopers.

C. Fees

The Redevelopers will pay and keep current all City fees in the nature of sewer user fees, permit fees and the like, that may from time to time apply to the Site, provided, however, said party may, after giving notice to the City, and after posting bond or other security satisfactory to the City in its reasonable judgment, at its own expense, contest in good faith such fees in which event it may permit such fees to remain unpaid during the period of such contest and any appeal therefrom.

D. Use Maintenance

Redevelopers will use the Site consistent with the Plan adopted by the City. The Redevelopers shall also maintain the Project as provided herein.

E. Taxes

During the existence of the Tax Increment Financing District, the Redevelopers will not protest any real estate assessments or real estate taxes on the Site without the express written consent of the Mayor or his designee, such consent shall not be unreasonably withheld. It is expressly intended that the covenant made in this Section shall be a covenant remaining with the land for the benefit of and enforceable by the City.

F. Participate in Hearing

The Redevelopers will participate in any public hearing(s) necessary for the implementation of the Plan as related to this Project.

G. Payment of Taxes

During the term of this Agreement, the Redevelopers shall promptly pay all real estate taxes and sales taxes.

H. Record Memo

The Redevelopers will execute a memorandum of this Agreement to be recorded in the records of the Office of the Recorder of Deeds, Sangamon, County, Illinois, indicating in substance that the Site is subject to the terms and conditions of this Agreement.

I. Conveyances

a. The Redevelopers will not transfer or assign all or any part of its interest in this Agreement without the express written consent of the Mayor or his/her designee.

b. During the existence of the Tax Increment Financing District, the Redevelopers agree that all conveyances shall be to persons and/or legal entities, which are not exempt from ad valorem taxes levied against taxable real property located at the Site.

J. Insurance

The Redevelopers agree to maintain all necessary insurance with respect to the site in sufficient amount to protect both the interests of the City and Redevelopers to and on the site.

K. Maintenance and Repair

The Redevelopers agree that they shall keep, maintain and repair in good fashion the improvements to be constructed on the Site.

L. No Damages for Delay

The Redevelopers agree to make no claim for damages for delay in the performance of this Agreement occasioned by any act or omission to act of the City or any of its representatives, or because of any injunction which may be brought against the City or its representatives, and agrees that any such claim shall be fully compensated for by an extension of time to complete performance of the work as provided herein.

SECTION 7: COMMENCEMENT AND COMPLETION

A. Commencement and Completion

Redevelopers shall cause the work to be commenced and to be prosecuted with due diligence and in good faith, and without delay. Redevelopers shall cause the work to be completed in a good and workmanlike manner in accordance with, and in all respects compliant with, all applicable laws, rules, permits, requirements, and regulations of any governmental agency or authorities having or exercising jurisdiction over the Site including all environmental statutes and regulations.

B. Contract Prohibitions

Unless otherwise previously agreed by the City in writing, all contracts let by Redevelopers or Redevelopers contractor in connection with the Project shall contain a prohibition against any material change in the plans without the Office of Planning and Economic Development's prior written consent being had thereto, which consent shall not be unreasonably withheld.

SECTION 8: LIABILITY AND RISK INSURANCE

A. Liability Insurance

Prior to any disbursement from the Redevelopment Assistance, Redevelopers or Redevelopers contractor shall procure and deliver to the City and shall maintain in full force and effect until each and every one of the obligations of Redevelopers contained herein has been fully paid, or performed, a policy or policies of comprehensive liability insurance and during any period of construction, demolition and/or rehabilitation, contractor's liability insurance under the comprehensive liability insurance to be not less than One Million Dollars (\$1,000,000) each occurrence and Five Million Dollars (\$5,000,000) total, and workmen's compensation insurance with employer's liability coverage, all such policies to be in such form and issued by such companies as shall have been approved in writing by City (which approval shall not be unreasonably withheld) to protect City and Redevelopers against any liability incidental to the use of or resulting from any accident occurring in or about the Site or the demolition and site preparation work, the improvements or the construction and improvements thereof. Each such policy shall contain an affirmative statement by the issuer to give written notice to City at least thirty (30) days prior to any cancellation or amendment of its policy.

B. Risk Insurance

Additionally, the Redevelopers or Redevelopers contractor, shall procure and deliver to City and shall maintain in full force and effect until each of the obligations of Redevelopers contained herein has been fully paid or performed, a policy or policies during construction, of builders risk insurance and following construction, a policy or policies insuring against risk or loss, including but not limited to insurance against loss of rental revenue, fire and extended coverage, vandalism and malicious mischief, with a proper mortgagee clause in such amounts,

sufficient to secure the mortgage of the City and on a form and issued by such companies as shall have been approved in writing by an officer of the City (which approval shall not be unreasonably withheld) and which names the City as an additional insured. Each policy shall contain an affirmative statement by the insurer thereunder to give written notice to City at least thirty (30) days prior to any cancellation or amendment of its policy.

SECTION 9: RIGHTS OF INSPECTION: AGENCY

The City or its designee shall have the right at any time and from time to time during business hours upon reasonable notice to enter upon the Site for the purposes of inspection provided that the City and its agents shall not interfere with the work and shall abide by the rules of the Redevelopers or its contractor or subcontractors for the protection of workers or visitors, and to ensure compliance with applicable laws. If the City, in its reasonable judgment, determines that any work and materials are not in conformity with the Plans as the same were theretofore approved in writing by City, or with any applicable laws, regulations, permits, requirements or rules of any governmental authority having or exercising jurisdiction thereover or not otherwise in conformity with sound building practice, City shall promptly notify Redevelopers in writing of same and the Redevelopers shall cause such deficiency to be corrected.

SECTION 10: EVENTS OF DEFAULT AND REMEDIES

A. Events of Default

The following shall constitute Events of Defaults with respect to this Agreement:

1. Representations

If any material representation made by the Redevelopers or the City in this Agreement, or in any certificate, notice, demand or request made by a party hereto, in writing and delivered to another party hereto pursuant to or in connection with any of said documents shall prove to be untrue or incorrect in any material respect as of the date made; or

2. Breach

Default in the performance or breach of any covenant, warranty or obligation of a party in this Agreement or in any other instrument executed by the Redevelopers to the benefit of City and continuance of such default or breach for a period of thirty (30) days after another party hereto has given written notice thereof to such defaulting party hereto unless the other parties hereto shall agree to an extension of such time; or

3. Involuntary Bankruptcy

The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of a party hereto in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other

similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of a party hereto for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed and in effect for a period of sixty (60) consecutive days; or

4. Voluntary Bankruptcy

The commencement by a party hereto of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by any such entity to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Redevelopers or of any substantial part of such entity's property, or the making by an such entity of any assignment for the benefit of creditors or the failure of the Redevelopers in furtherance of any of the foregoing.

B. Remedies on Default

1. Specific Performance or Damages

Upon the occurrence of any Event of Default, the City may institute such proceedings as may be necessary or desirable at its option to cure or remedy such default or breach, including but not limited to, proceedings to compel specific performance by the party in default or breach of its obligations. Redevelopers hereby waive any right to claim: consequential, exemplary, equitable, loss of profits, punitive or tort damages.

2. Restore Positions

In case any party hereto shall have proceeded to enforce its right under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the said moving party, then and in every such cause the Redevelopers and the City shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Redevelopers and the City shall continue as though no such proceeding have been taken.

C. Agreement to Pay Attorney's Fees and Expenses

In the event Redevelopers should default under any of the provisions of this Agreement and City incurs expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of my obligation or agreement on the part of the defaulting party herein contained, the Redevelopers agree that it will on demand therefore pay to the City the reasonable fees of such attorneys and such other expenses so incurred by the City.

D. Non-Payment of Real Estate Taxes or Sales Taxes

In the event that real estate taxes or sales and use taxes owed by the Redevelopers are not paid within thirty (30) days from the date that said taxes are due and owing during the term of

this Agreement, the City, may, at its option, (a) make payment to the special tax allocation fund pertaining to the Redevelopment Project Area in which the Site is located a sum in the amount equal to the sum which the special tax allocation fund would have received from the real property taxes or sales and use taxes had the real estate taxes or sales and use taxes been paid, or (b) make payment of the real property taxes due and owing on the Site. The amounts so advanced by the City shall be immediately due and owing from the Redevelopers to the City and shall bear interest from the date of payment at the rate of local prime as stated by Bank of Springfield on a per annum basis until paid. The City shall have a lien against the Site for all amounts paid together with interest and all expenses incurred in the recovery of said amounts. The City may bring such actions as it may deem appropriate to enforce payment and/or foreclose the lien against the Site.

SECTION 11: OTHER RIGHTS AND REMEDIES OF CITY: NO WAIVER BY DELAY

A. No Waiver by Delay

Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its right under this Agreement shall not operate to act as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the City hereto should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this Section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope to otherwise resolve the problems created by the default involved; nor shall any waiver in fact made by the City hereto with respect to any specific default by the Redevelopers under this Section be considered or treated as a waiver of the rights of the City, with respect to any other defaults by the Redevelopers under this Section or with respect to any defaults under any Section in this Agreement or with respect to the particular default, except to the extent specifically waived in writing by the City.

B. Rights and Remedies Cumulative

The rights and remedies of the parties to this Agreement (or their successors in interest) whether provided by law or by this Agreement, shall be cumulative, and the exercise by any party of any one or more of such remedies shall not preclude the exercise by it, at the time or different times, of any other such remedies for the same default or breach by the defaulting party.

SECTION 12: DELAY IN PERFORMANCE

For the purposes of any of the provisions of this Agreement neither the City nor the Redevelopers, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the completion of the work for redevelopment or progress in respect thereof, in the event of enforced delay in the performance of such obligation due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to acts of God, acts of the public enemy, acts of federal, state, or local government, acts of the other party, fires, floods, epidemics, quarantine restrictions, labor disturbances (including strikes or lockouts or concerted activities), embargoes, acts of nature, unusually

severe weather or delays of subcontractors due to such causes; it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the Redevelopers with respect to completion of work, shall be extended for the period of the enforced delay. Provided, that the party seeking the benefit of the provisions of this Section within thirty (30) days after the beginning of any such forced delay, shall have first notified the other party therefore in writing, of the cause or causes thereof, and requested an extension of the period of enforced delay. Such extensions of schedule shall be agreed in writing by the parties hereto.

SECTION 13: EQUAL EMPLOYMENT OPPORTUNITY

The Redevelopers, for itself and its successors and assigns, agree that during the completion of work provided for in this agreement that the following will apply:

A. Non-Discrimination

The Redevelopers and/or its contractor will not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, age, ancestry, marital status, sexual orientation, or handicap unrelated to ability or national origin. The Redevelopers and/or its contractor will take affirmative action to insure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, age, ancestry, marital status, sexual orientation, or handicap unrelated to ability or natural origin. Such action shall include but not limited to, the following: employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rates of pay or other forms of compensation, and selection for training, including apprenticeship, the Redevelopers and/or its contractor agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.

B. Advertising

The Redevelopers and/or its contractor will in all solicitation or advertisements for employees placed by or on behalf of the Redevelopers or its contractor state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, age, ancestry, marital status, sexual orientation, or handicap unrelated to ability or national origin.

C. Non-Compliance

In the event of the Redevelopers non-compliance with the non-discrimination clause of this Section, the City may cancel, terminate or suspend this Agreement in whole or in part.

D. Mandatory Inclusions of Provisions

The Redevelopers shall include the provisions of Subsections "A" and "B" of this Section in every contract or purchase order, and will require the inclusions of these provisions in every

subcontract entered into by any of its contractors, so that such provisions will be binding upon each such contractor, subcontractor, or vendor as the case may be.

SECTION 14: TITLES OF ARTICLES AND SECTIONS

Any titles of the several parts, Articles, and Sections of this Agreement are inserted for convenience of references only and shall be disregarded in construing or interpreting any of its provisions.

SECTION 15: CONFLICT OF INTEREST

Unless otherwise specifically authorized by the City Council, no member, officer, or employee of the City or its designees or agents and no member of the governing body of the City during his or her tenure or for one year thereafter, shall have any interest, direct or indirect, in any contract or subcontract or the proceeds thereof, with the respect to which this Agreement shall apply.

SECTION 16: DRAFTS NOT OFFER

No draft of or negotiations regarding this Agreement shall be construed to constitute an offer any party hereto, and no party shall be obligated in connection with the matters stated herein until this Agreement has been executed and delivered by all parties hereto.

SECTION 17: SEVERABILITY

If any provisions of this Agreement are found to be illegal, invalid or unenforceable, the remainder of this Agreement shall not be affected by such finding, and the parties shall negotiate in good faith to agree upon a substitute provision, which substitute provision shall provide to the extent possible under applicable law, the benefits expected to be derived by the parties under this Agreement.

SECTION 18: WRITTEN AMENDMENT REQUIRED: ENTIRE AGREEMENT

No amendment, alteration, modification of or addition to this Agreement shall be valid or binding unless expressed in writing and signed by the party or parties to be bound by such change. This Agreement and the Exhibit (s) hereto contain the entire agreement between the parties.

SECTION 19: NOTICES

Any notice, request, demand, consent, approval or other communication required or permitted under this Agreement must be in writing and will be deemed to have been given when personally delivered or deposited in any depository regularly maintained by the United States Postal Service, postage prepaid, certified mail, return receipt requested, addressed to the party for whom it is intended at the following address:

If to City to: Bissi DiCenso
Office of Planning and Economic Development
800 East Monroe Street, Room 107
Springfield, Illinois 62701

With a copy to: City's Corporation Counsel at:
Office of Corporation Counsel
Room 313 Municipal Center East
800 East Monroe Street
Springfield, Illinois 62701

If to Redevelopers: Second & Jefferson LLC
Geoff Isringhausen, Manager
229 East Jefferson Street
Springfield, Illinois 62701

Any party may add additional addresses or changes its address for purposes of receipt of any such communication by giving five (5) days written notice of such change to the other parties in the manner prescribed in this Article.

SECTION 20: BINDING EFFECT

The covenants, conditions, representations, warranties and agreements contained in this Agreement will bind and inure to the benefit of the parties hereto and their respective successors and permitted assigns.

SECTION 21: GOVERNING LAW

This Agreement shall be construed pursuant to the laws of the State of Illinois. The City and Redeveloper voluntarily and freely submit to a court of competent jurisdiction in Sangamon County, Illinois, should any dispute arise between the City and the Redeveloper. By execution and delivery of this Agreement, each of the parties knowingly, voluntarily and irrevocably (i) waives any right to trial by jury; (ii) agrees that any dispute arising out of this Agreement shall be decided by court trial without a jury; and (iii) agrees that the other party to this Agreement may file an original counterpart or a copy of this Section with any court as written evidence of the consents, waivers and agreement of the parties set forth in this Section.

SECTION 22: COUNTERPARTS

If this Agreement is executed in two or more counterparts, each shall constitute one and the same instrument and shall be recognized as an original instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement and caused their respective seals to be affixed and attested thereto as of the date first written above in this Agreement.

ATTEST:

Cecilia K. Tumulty
Cecilia K. Tumulty, City Clerk

CITY:
CITY OF SPRINGFIELD, ILLINOIS
A Municipal Corporation

By: *Timothy J. Davlin*
Mayor, Timothy J. Davlin

STATE OF ILLINOIS

)
) SS.

COUNTY OF SANGAMON

)

I, the undersigned, a Notary Public, in and for said County, if the State aforesaid, DO HEREBY CERTIFY that **Timothy J. Davlin**, personally known to me to be the Mayor of the City of Springfield, and **Cecilia K. Tumulty**, personally known to me be the City Clerk of Springfield, whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Mayor and City Clerk, they signed and delivered the said instrument as Mayor and as City Clerk of said Municipal Corporation, and caused the seal of said Municipal Corporation to be affixed thereto, pursuant to authority given by the corporate authorities of the City of Springfield for the uses and purposes therein set forth.

Given under my hand and notarial seal, this 20th day of July, 2009.

Janet L. Cooper
Notary Public



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REDEVELOPMENT AGREEMENT
BETWEEN
THE CITY OF SPRINGFIELD, ILLINOIS
AND
GEORGE E. DINGES

THIS AGREEMENT, entered into on or as of the _____ day of _____, 2008, by and between **CITY OF SPRINGFIELD, ILLINOIS**, a municipal corporation, by and through the Office of Planning and Economic Development (which together with any successor municipal corporation or public body hereinafter designated by or pursuant to law, is hereinafter called "City" or "Office of Planning and Economic Development"), exercising its governmental powers pursuant to the 1970 Constitution of the State of Illinois, and having its office at 800 East Monroe Street, Springfield, Illinois 62701, and **GEORGE E. DINGES**, whose address is 401-403 East Adams Street, Springfield, Illinois, 62701, hereinafter called "Redevelopers".

WITNESSETH

WHEREAS, the City has adopted a program for the Redevelopment Project Area (as hereinafter defined) known as the Central Area Tax Increment Redevelopment Plan, in the City of Springfield, pursuant to "The Tax Increment Allocation Redevelopment Act, as amended" 65 ILCS 5/11-74.4-1, et seq. (hereinafter referred to as the "Act,"); and

WHEREAS, pursuant to the provisions of the Act, the City, has adopted a Tax Increment Redevelopment Plan and Project (hereinafter referred to as the "Plan") pertaining to the redevelopment of the downtown area, a copy of which Plan is on file with the City Clerk of the City of Springfield; and

WHEREAS, the Redevelopers have acquired certain real property located at 401-403 East Adams Street in Springfield, Illinois, and desire to rehabilitate the two street facing facades thereon; and

WHEREAS, in order to enable the City to achieve the objectives of the Plan in accordance with the uses set forth therein, the City intends to assist the Redevelopers with rehabilitation of the aforesaid property; and

WHEREAS, the City believes that the project is in the best interest of the City and the health, safety, morals and welfare of its residents, and in accordance with the public purposes and provisions of the applicable federal, state, and local laws; and

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WHEREAS, the Redevelopers have represented that they possess the experience and qualifications to undertake this project and the City, therefore, deems it appropriate to enter into this Agreement with Redevelopers; and

WHEREAS, it is contemplated that pursuant to this Agreement, the City shall provide the Redevelopers financial assistance in a total amount not to exceed One Hundred Fifty-Four Thousand Dollars and no/00 (\$154,000.00) to assist Redevelopers with façade rehabilitation and façade purchase on the aforementioned property utilizing tax increment financing in accordance with the Act; and

WHEREAS, the Redevelopers are willing to develop the Site upon the terms set forth herein.

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

SECTION 1: DEFINITIONS

A. Definition of Terms

Certain terms used in this Agreement shall have the following meanings unless their content or use clearly indicates otherwise. Other terms may also be defined elsewhere in this Agreement.

“Act” means the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., and as it amended and supplemented from time to time.

“Agreement” means this Redevelopment Agreement and all addenda and exhibits hereto.

“Authorized Representative” means such person as from time to time designated to act on behalf of the Redevelopers in a written certificate furnished to the Office of Planning and Economic Development, containing the specimen signature of such person and signed on behalf of the Redevelopers by a corporate officer or partner or other representative, as appropriate. Such certificate may designate an alternate or alternates.

“City” means the City of Springfield, Illinois.

“Plan” shall have the meaning set forth in the preamble to this Agreement.

“Project” means the rehabilitation and purchase of the two street facing façades on the building located at 401-403 East Adams Street, Springfield, Illinois, in accordance with the terms and conditions of this Agreement and the law.

“Project costs” means only those costs as specified in the particular provision.

“Redevelopers” means George E. Dinges, and his successors or assigns hereunder.

"Redevelopment Assistance", sometimes "Assistance", means any payments to be made to Redevelopers from Tax Increment Available Funds for the Project.

"Redevelopment Project Area" means the City of Springfield Central Area Redevelopment Project Area, as adopted by the City.

"Site" means the real property located at 401-403 East Adams Street, Springfield, Illinois, at which the Project is to be located.

B. Construction of Words

The words "hereof," "herein," "hereunder," and other words of similar import refer to this Agreement as a whole.

Unless otherwise specified, references to articles, sections and other subdivisions of this Agreement are to the designated articles, sections and other subdivisions of this Agreement as originally executed.

The headings of this Agreement are for the convenience of reference only and shall not define or limit the provisions hereof.

SECTION 2: PURPOSE OF AGREEMENT AND REDEVELOPMENT ASSISTANCE

A. Purpose of Agreement

The purpose of this Agreement is to provide funds to Redevelopers in order to develop the Site consistent with the terms and conditions of this Agreement. The assistance letter for the Project is attached hereto as Exhibit A, the terms and conditions of which are incorporated herein.

B. Redevelopment Assistance to the Redevelopers

1. The City agrees, upon the terms and conditions in this Agreement, to provide assistance from tax increment financing in an amount not to exceed One Hundred Fifty-Four Thousand Dollars and no/00 (\$154,000.00) to assist Redevelopers with façade rehabilitation, and façade purchase on the real property located at 401-403 East Adams Street, Springfield, Illinois. Said assistance shall only be used by Redevelopers for eligible expenses as proscribed in the Central Area Tax Increment Redevelopment Plan and The Tax Increment Allocation Redevelopment Act, as amended 65 ILCS 5/11-74.4-1, et seq.