

**VILLAGE OF COAL CITY,
GRUNDY AND WILL COUNTIES, ILLINOIS**

ORDINANCE NO. 14-32

**COAL CITY TIF DISTRICT
AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A REDEVELOPMENT AGREEMENT**

by and between

THE VILLAGE OF COAL CITY

and

**GENDELL PARTNERS COAL CITY, LLC
(D/B/A "BERTA CROSSINGS")**

**ADOPTED BY THE CORPORATE AUTHORITIES OF THE
VILLAGE OF COAL CITY, GRUNDY AND WILL COUNTIES, ILLINOIS
ON THE 8TH DAY OF SEPTEMBER, 2014.**

**VILLAGE OF COAL CITY
 COAL CITY TIF DISTRICT
 AN ORDINANCE APPROVING AND AUTHORIZING
 THE EXECUTION OF A REDEVELOPMENT AGREEMENT
 BY AND BETWEEN
 THE VILLAGE OF COAL CITY AND
 GENDELL PARTNERS COAL CITY, LLC
 (D/B/A "BERTA CROSSINGS")**

BE IT ORDAINED BY THE CORPORATE AUTHORITIES OF THE VILLAGE OF COAL CITY, GRUNDY AND WILL COUNTIES, ILLINOIS THAT:

SECTION ONE: The Redevelopment Agreement with Gendell Properties Coal City, LLC (d/b/a "Berta Crossings") (*Exhibit A* attached) is hereby approved.

SECTION TWO: The Village President is hereby authorized and directed to enter into and execute on behalf of the Village said Redevelopment Agreement and the Village Clerk of the Village of Coal City is hereby authorized and directed to attest such execution.

SECTION THREE: The Redevelopment Agreement shall be effective the date of its approval on the 8th day of September, 2014.

SECTION FOUR: This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

PASSED, APPROVED AND ADOPTED by the Corporate Authorities of the Village of Coal City, Illinois, on the 8th day of September, A.D., 2014, and deposited and filed in the Office of the Village Clerk of said Village on that date.

PRESIDENT & TRUSTEES	AYE VOTE	NAY VOTE	ABSTAIN / ABSENT
Justin Wren	✓		
Terry Halliday	✓		
Dave Togliatti	✓		
Ross Bradley	✓		
Georgette Vota	✓		
Tim Bradley	✓		
Neal E. Nelson, President			✓
TOTAL VOTES:			

APPROVED: , Date 9 / 10 / 2014
 President, Village of Coal City

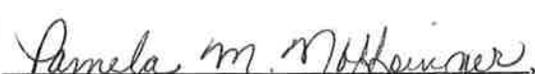
ATTEST: , Date: 9 / 10 / 2014
 Village Clerk, Village of Coal City

EXHIBIT A

REDEVELOPMENT AGREEMENT

by and between

VILLAGE OF COAL CITY

and

**GENDELL PROPERTIES COAL CITY, LLC
(D/B/A "BERTA CROSSINGS")**

COAL CITY TAX INCREMENT FINANCING DISTRICT

**TAX INCREMENT FINANCING DISTRICT
REDEVELOPMENT AGREEMENT**

by and between

**VILLAGE OF COAL CITY,
GRUNDY AND WILL COUNTIES, ILLINOIS**

and

**GENDELL PARTNERS COAL CITY, LLC
(D/B/A "BERTA CROSSINGS")**

COAL CITY TAX INCREMENT FINANCING DISTRICT

SEPTEMBER 8, 2014

**COAL CITY TAX INCREMENT FINANCING DISTRICT
REDEVELOPMENT AGREEMENT**

by and between
**VILLAGE OF COAL CITY,
GRUNDY AND WILL COUNTIES, ILLINOIS**
and
**GENDELL PARTNERS COAL CITY, LLC
(D/B/A "BERTA CROSSINGS")**

THIS REDEVELOPMENT AGREEMENT (including Exhibits) ("Agreement") is entered into this 8th day of September, 2014, by the **Village of Coal City** (the "Village"), an Illinois Municipal Corporation, Grundy and Will Counties, Illinois, and **Gendell Partners Coal City, LLC** (the "Developer"), an Illinois Limited Liability Company.

PREAMBLE

WHEREAS, the Village has the authority to promote the health, safety, and welfare of the Village and its citizens and to prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of private property thereby increasing the tax base of the Village and providing employment for its citizens; and

WHEREAS, pursuant to 65 ILCS 5/8-1-2.5 a municipality may expend funds for economic development purposes to commercial enterprises that are necessary or desirable for the promotion of economic development within the municipality; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.4 *et seq.*, as amended (the "Act"), the Village has the authority to provide incentives to owners or prospective owners of real property to develop, redevelop, and rehabilitate such property by reimbursing the owners for certain costs from resulting increases in real estate tax revenues; and

WHEREAS, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or undeveloped, on January 10, 2011, the Village adopted Tax Increment Financing under the Act, approved a Redevelopment Plan and designated a Redevelopment Area known as the **Coal City Tax Increment Financing District** (the "TIF District"); and

WHEREAS, the Developer owns property located at the intersection of Richards Street and East Division Street (Highway 113), Coal City, Illinois (the "Property") (PIN 09-02-226-027) and said Property is in need of development and is integral to the development of the TIF District; and

WHEREAS, the Developer agrees to proceed promptly with its plans to rehabilitate the Property and market vacant sites by installing a large, landscaped sign at the entrance of the shopping center ("Berta Crossings") (the "Project"), if incentives are made available by the Village; and

WHEREAS, it is the intent of the Village to encourage economic development which will increase the real estate tax, which increased taxes will be used, in part, to finance incentives to assist this Developer's Project; and

WHEREAS, the Developer's proposed Project is consistent with the Village's Comprehensive Plan, if applicable, and in compliance with local zoning requirements; and

WHEREAS, the Village has the authority under the Act to incur Redevelopment Project Costs ("TIF Eligible Project Costs") and to reimburse the Developer for such costs; and

WHEREAS, the Developer requests that incentives for the development be provided by the Village and that such incentives include the reimbursement of Eligible Project Costs; and

WHEREAS, the Village has determined that this Project requires the incentives requested and that said Project will, as a part of the Plan, promote the health, safety and welfare of the Village and its citizens by attracting private investment to prevent blight and deterioration, to develop underutilized property, and to provide employment for its citizens and generally to enhance the economy of the Village; and

WHEREAS, the Village agrees to provide a Loan to the Developer in the amount of **Fifteen Thousand Dollars (\$15,000.00)** pursuant to the terms set forth in *Section C.* of this Agreement; and

WHEREAS, the Village is entering into this Agreement to induce the Developer to market vacant sites by installing a new, landscaped entrance sign to the shopping center located on said Property; and

WHEREAS, in consideration of the execution of this Agreement and in reliance thereon, the Developer is proceeding with plans to complete the Project as set forth herein.

AGREEMENTS

NOW, THEREFORE, for good and valuable consideration, the receipt of which is acknowledged, the Parties agree as follows:

A. PRELIMINARY STATEMENTS

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement, and are to be construed as binding statements of this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.
3. The Village in extending incentives for this Project is relying on the representation of the Developer contained herein to substantially complete the Project as set forth herein.
4. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

B. ADOPTION OF TAX INCREMENT FINANCING

The Village has created a Tax Increment Financing District known as the "Coal City TIF District" which includes the Developer's Property. The Village has approved certain Redevelopment Project Costs in the Redevelopment Plan, including the types described in *Exhibit 1* for the Developer's Project.

C. INCENTIVES

In consideration for the Developer completing its Project, the Village agrees to reimburse the Developer for TIF Eligible Project Costs as set forth below:

1. The Village agrees to loan the Developer **Fifteen Thousand Dollars (\$15,000.00)** from the Tax Increment Financing Special Tax Allocation Fund for TIF Eligible Project Costs incurred as a result of the Developer's Project (the "Loan"). The conditions for the Developer's Loan shall be as follows:
 - a) The full Loan amount of **\$15,000.00** shall be paid to the Developer within 30 days of execution of this Agreement;
 - b) The interest rate for the Loan shall be 3% APR, and shall begin to accrue on the date the Loan Amount is paid to the Developer;
 - c) The term of the Loan shall expire December 31, 2016;
 - d) Provided the Developer provides verification of its TIF Eligible Project Costs in the amount of \$15,000.00 as set forth in Section E below on or before December 31, 2014, **one-Third (1/3)** of the Loan amount (**\$5,000.00**), including accrued interest, shall be forgiven each year by the Village commencing on December 31, 2014 and continuing on December 31st of each year thereafter for the term of the Loan. Provided the Developer complies with all the terms set forth herein, the Loan shall be fully forgiven by the expiration date of the Loan; and
 - e) In the event the Developer: (1) fails to provide verification of TIF Eligible Project Costs in the amount of **\$15,000.00** as set forth in *Section E.* below on or before December 31, 2014; (2) sells the Property; or (3) ceases commercial operations on the Property, the Developer shall be obligated to repay the then outstanding balance due on the Loan plus any accrued interest thereon.
 - f) The Developer further agrees to make timely payment of at least \$69,000 of real estate taxes due on another property owned by it that is located within the Village and identified by PIN# 09-02-226-043. If the Developer fails to make full and timely payment of any real estate tax due on said parcel, any then-outstanding balance of the Loan, plus any accrued interest thereon, shall be immediately due and payable to the Village.
2. A separate Promissory Note is attached as *Exhibit 2*.

D. LIMITATION OF INCENTIVES TO DEVELOPER

1. The Developer shall be reimbursed by the Village for TIF Eligible Project Costs permitted by the Act, not to exceed **\$15,000.00**.
2. The Developer shall provide verification of TIF Eligible Project costs in the amount of the Loan as set forth in *Section E.* below.

3. The entrance sign must conform to all applicable Village Ordinances and Codes.
4. The Developer acknowledges that the purchase, installation and landscaping of the new entrance sign shall not, during the term of this Redevelopment Agreement, result in an increase in rent or fees to shopping center tenants who are leasing space at the time this agreement is executed. The Developer shall provide a certified letter to the Village each year for the term of the Agreement verifying that rent and fees have not been increased as a result of the purchase, installation and landscaping of the new entrance sign. The Developer, however, shall be entitled to increase rents as market conditions allow, but will not increase rents to collect monies related to the cost of said sign and its installation.

E. VERIFICATION OF ELIGIBLE PROJECT COSTS

1. The Developer shall provide verification of TIF Eligible Project costs in an amount equal to or greater than \$15,000. Such verification shall be submitted to Jacob & Klein, Ltd. and the Economic Development Group, Ltd. (collectively the "Administrator") and shall include verified receipts, invoices, bills or statements of suppliers, contractors, or professionals together with Mechanic's Lien Waivers, if applicable, cancelled checks or other proof of payment as required by the Village.
2. The Administrator shall approve or disapprove the submission of TIF Eligible Project Costs within thirty (30) business days after receipt of the verification. Approval will not be unreasonably withheld. If disapproved by the Administrator, the reasons for disallowance will be set forth in writing and the Developer may resubmit additional information as may be required and the same procedures set forth herein shall apply to such re-submittals.
3. Eligible Project Costs shall be broadly defined in the Redevelopment Plan to include all costs defined in the Act as Redevelopment Project Costs.

F. LIMITED OBLIGATION

The Village's obligation hereunder to reimburse the Developer for TIF Eligible Project Costs is a limited obligation to be paid solely from the TIF Fund in the amount of **\$15,000.00**. Said obligation does not now and shall never constitute an indebtedness of the Village within the meaning of any State of Illinois constitutional or statutory provision, and shall not constitute or give rise to a pecuniary liability of the Village or a charge or lien against the Village's general credit or taxing power.

G. LIMITED LIABILITY OF VILLAGE TO OTHERS FOR DEVELOPER'S EXPENSES

There shall be no obligation by the Village to make any payments to any person other than the Developer, nor shall the Village be obligated to make direct payments to any other contractor, subcontractor, mechanic or materialman providing services or materials to the Developer for the Project. This Agreement shall not create any third-party rights and the Developer shall indemnify and hold the Village harmless on any claims arising out of the Developer's construction activities.

H. COOPERATION OF THE PARTIES

The Village and the Developer agree to cooperate fully with each other when reasonably requested to

do so concerning the development of the Developer's Project. This includes the Village assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, or subsidy which may be available as the result of the Developer's or Village's activities. This also includes the Developer assisting or sponsoring the Village, or agreeing to jointly apply with the Village, for any grant, award or subsidy which may be available as the result of the Village's or Developer's activities.

I. DEFAULT; CURE; REMEDIES

In the event of a default under this Agreement by any party hereto (the "Defaulting Party"), which default is not cured within the cure period provided for below, then the other party (the "Non-defaulting Party") shall have an action for damages, or in the event damages would not fairly compensate the Non-defaulting Party's for the Defaulting Party's breach of this Agreement, the Non-defaulting Party shall have such other equity rights and remedies as are available to them at law or in equity. Any damages payable by the Village hereunder shall be limited to the real estate tax increment payable to the Developer under the terms of this Agreement.

In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this Agreement, it shall not be deemed to be in default under this Agreement unless it shall have failed to perform such monetary covenant within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying that it has failed to perform such monetary covenant. In the event a Defaulting Party fails to perform any non-monetary covenant as and when it is required to under this Agreement, it shall not be deemed to be in default if it shall have cured such default within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying the nature of the default, provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, it shall not be deemed to be in default if it commences curing within such thirty (30) days period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

J. ASSIGNMENT

The rights and obligations of the Developer under this Agreement shall not be assignable.

K. WAIVER

Any Party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right of remedy does so in writing. No such waiver shall obligate such party to waive any right of remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

L. SEVERABILITY

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

M. NOTICES

All notices, demands, requests, consents, approvals or other instruments required or permitted by this

Agreement shall be in writing and shall be executed by the Party or an officer, agent or attorney of the Party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

To Developer:

Terraco, Inc.
Attn: Kevin Gazley
3201 Old Glenview Road, Suite 300
Wilmette, IL 60091
Ph: (847) 906-5015
Fax: (847) 679-6695
kgazley@terraco realestate.com

To Village:

Village Clerk, Village Hall
515 S. Broadway
Coal City, IL 60416
Telephone: (815)634-8608
Fax: (815)634-2487

With copy to:

Jacob & Klein, Ltd.
Economic Development Group, Ltd.
1701 Clearwater Avenue
Bloomington, Illinois 61704
Telephone: (309)664-7777

N. SUCCESSORS IN INTEREST

Notwithstanding *Section J.* above, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

O. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED

Neither anything in this Agreement nor any acts of the Parties to this Agreement shall be construed by the Parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such Parties.

P. INDEMNIFICATION OF VILLAGE

Developer acknowledges that it is responsible for compliance with the Illinois Prevailing Wage Act. It is the Village's understanding that the current position of the Illinois Department of Labor is that the Prevailing Wage Act is not applicable to TIF-only incentives, however the Department of Labor's current position is under review. Developer shall indemnify and hold harmless the Village, and all Village elected or appointed officials, officers, employees, agents, representatives, engineers, consultants and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Illinois Prevailing Wage Act (820 ILCS 130/0.01 *et. seq.*), the Illinois Procurement Code, and/or any similar State or Federal law or regulation. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of Village, including but not limited to the reasonable attorney fees of Village.

Q. WARRANTY OF SIGNATORIES

The signatories of Developer warrant full authority to both execute this Agreement and to bind the entity in which they are signing on behalf of.

R. TERM OF THE AGREEMENT

This Agreement shall expire upon termination of the Loan as set forth herein and as described in *Exhibit 2*.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Coal City, Illinois.

**VILLAGE OF COAL CITY, ILLINOIS,
a Municipal Corporation:**

By: [Signature]
President

ATTEST:

[Signature]
Village Clerk

DEVELOPER:
~~GENDELL PROPERTIES~~ COAL CITY, LLC
PARTNERS

By: [Signature]

Title: Manager

H:\COAL CITY\Agreements\RDA\Gendell Properties LLC\Coal City TIF RDA_Gendell Properties (Berta Crossings)_RDA 090814.wpd

EXHIBIT 1

SUMMARY OF ESTIMATED TIF ELIGIBLE PROJECT COSTS

Gendell Partners Coal City, LLC Project

Coal City TIF District in the Village of Coal City, Grundy and Will Counties, Illinois

Project Description: The Developer plans to install a new, landscaped entrance sign to the shopping center ("Berta Crossings") located on said Property.

Project Location: Intersection of Richards Street and East Division Street (Highway 113), Coal City, Illinois.

PIN: 09-02-226-027

Estimated Eligible Project Costs:

New Entrance Sign/Landscaping \$24,000.00

Total Estimated Eligible Project Costs \$24,000.00*

The Developer's reimbursements for Eligible Project Costs are not to exceed **\$15,000.00 as set forth in this Agreement.*

EXHIBIT 2**PROMISSORY NOTE**

FOR VALUE RECEIVED, Gendell Properties Coal City, LLC, an Illinois Limited Liability Company ("Borrower"), promises to pay the Village of Coal City, Grundy and Will Counties, Illinois, an Illinois Municipal Corporation ("Lender") the principal sum of Fifteen Thousand Dollars (\$15,000.00) with interest accruing on the unpaid principal at the rate of three percent (3%) per annum. The aforementioned principal sum represents monies loaned by the Lender to the Borrower for the reimbursement of Borrower's TIF Eligible Project Costs, specifically rehabilitation/renovation costs, incurred as a result of a Redevelopment Project located at the intersection of Richards Road and Highway 113, Coal City, Illinois (PIN# 09-02-226-027) (the "Property"), within the Redevelopment Project Area and that are the subject of a Tax Increment Financing District Redevelopment Agreement between the Village of Coal City and Gendell Partners of Coal City, LLC (the "Redevelopment Agreement") entered into the 8th day of September, 2014.

The term of this Promissory Note shall commence on the date the Redevelopment Agreement is executed between the Borrower and the Lender and end on December 31, 2016.

Provided that the Borrower is at all times in compliance with the Redevelopment Agreement and this Promissory Note, One-Third (1/3) of the principal (\$5,000.00), plus any accrued interest thereon, shall be forgiven by the Lender each year during the term of this Promissory Note, with the first date of forgiveness being December 31, 2014 and continuing on December 31st each year thereafter for the term of this Promissory Note. Provided that the Borrower does not Default or otherwise breach this Promissory Note or the Redevelopment Agreement, the full principal amount of this Promissory Note, plus any accrued interest thereon, shall be forgiven on the expiration of this Promissory Note.

The Borrower shall be deemed in Default of this Promissory Note, if the Borrower:

- 1) fails to provide verification of its TIF Eligible Project Costs in the manner set forth in the Redevelopment Agreement in an amount equal to or greater than \$15,000.00 on or before December 31, 2014;
- 2) sells the subject Property during the term of this Promissory Note;
- 3) ceases commercial operations at the Property prior to the expiration of this Promissory Note; or
- 4) fails, during the term of this Promissory Note, to make timely payment of at least \$69,000 of real estate taxes due on another property owned by Borrower that is located within the Village of Coal City and identified by PIN# 09-02-226-043.

In the event the Borrower is in Default under the terms of this Promissory Note and does not cure said default or breach on or before the tenth (10th) date after Lender gives Borrower written notice of Default, thereof, by personal delivery or certified mailing, the outstanding principal amount, plus any accrued interest thereon, is immediately due to the Lender and the Lender shall be entitled to all remedies permitted by law. Notice shall be deemed given on the date of personal delivery or date of mailing, whichever applies. No delay or failure in giving notice of said Default or breach shall constitute a waiver of the right of the Lender to exercise said right in the event of a subsequent or continuing Default or breach. Furthermore, in the event of such Default or breach, Borrower promises to reimburse Lender for all collection/and or litigation costs incurred by it, including reasonable attorney

fees and court costs, whether judgment is rendered or not.

This Promissory Note has been entered into and shall be performed in the Village of Coal City, Grundy and Will Counties, Illinois, and shall be construed in accordance with the laws of Illinois and any applicable federal statutes or regulations of the United States. Any claims or disputes concerning this Note shall, at the sole election of the Lender, be adjudicated in Grundy and Will Counties, Illinois.

Borrower: PARTNERS
Gendell ~~Properties~~ of Coal City, LLC

Lender:
Village of Coal City

By: [Signature]

By: [Signature]

Title: manager

Attest: [Signature]

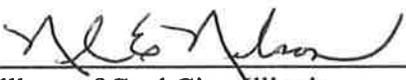
Date: 9-29-14

Date: 9-10-14

CERTIFICATION OF
CHIEF EXECUTIVE OFFICER

The undersigned, Neal Nelson, Mayor of the Village of Coal City, Illinois, hereby certifies that the Village of Coal City has complied with all of the requirements of 65 ILCS 5/11-74.4-1 et. seq. during the Village's preceding Fiscal Year, May 1, 2013 through April 30, 2014.

Signed the 9th day of SEPTEMBER, 2014.



Village of Coal City, Illinois