7 - APPENDICES

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APPENDIX A.
TAX INCREMENT FINANCING TERMS AND DEFINITIONS

The Village of Coal City is establishing its TIF District utilizing the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4 *et. seq.*]. Certain terms are used in this Redevelopment Plan which are defined in the Tax Increment Allocation Redevelopment Act. The following terms shall mean:

Municipality: An incorporated City, Village or Town in the State of Illinois.

Redevelopment Project Area: An area designated by the municipality, which is not less in the aggregate than 1½ acres and in respect to which the municipality has made a finding that there exist conditions which cause the area to be classified as an industrial park conservation area or a blighted area or a conservation area, or a combination of both blighted areas and conservation areas.

Redevelopment Plan: The comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a "blighted area" or "conservation area" or combination thereof or "industrial park conservation area," and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area.

Redevelopment Project: Any public and private development project in furtherance of the objectives of a redevelopment plan.

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

A. Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan including but not limited to staff and professional service costs for architectural, engineering, legal, financial, planning or other services, provided however that no charges for professional services may be based on a percentage of the tax increment collected; except that on and after the effective date of this amendatory Act of the 91st General Assembly, no contracts for professional services, excluding architectural and engineering services, may be entered into if the terms of the contract extend beyond a period of 3 years. In addition, "redevelopment project costs" shall not include lobbying expenses. After consultation with the municipality, each tax increment consultant or advisor to a municipality that plans to designate or has designated a redevelopment project area shall inform the municipality in writing of any contracts that the consultant or advisor has entered into with entities or individuals that have received, or are receiving, payments financed by tax increment revenues produced by the redevelopment project area with respect to which the consultant or advisor has performed, or will be performing, service for the municipality. This requirement shall be satisfied by the consultant or advisor before the commencement of services for the municipality and thereafter whenever any other contracts with those individuals or entities are executed by the consultant or advisor;

B. The cost of marketing sites within the redevelopment project area to prospective businesses, developers, and investors;

C. Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to parking lots and other concrete or asphalt barriers, and the clearing and grading of land;

D. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures, and leasehold improvements; and the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;

E. Costs of the construction of public works or improvements;

F. Costs of job training and retraining projects, including the cost of "welfare to work" programs implemented by businesses located within the redevelopment project area;

G. Financing costs, including but not limited to all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued hereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter and including reasonable reserves related thereto;

H. To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan/project.

I. Relocation costs to the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by Federal or State law or in order to satisfy subparagraph (7) of subsection (n);

J. Payment in lieu of taxes are those estimated tax revenues from real property in a redevelopment project area derived from real property that has been acquired by a municipality which according to the redevelopment project or plan is to be used for a private use which taxing districts would have received had a municipality not acquired the real property and adopted tax increment allocation financing and which would result from levies made after the time of the adoption of the tax increment allocation financing to the time the current equalized value of real property in the redevelopment project area exceeds the total initial equalized value of real property in said area;

K. Costs of job training, retraining, advanced vocational education or career education, including but not limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a redevelopment project area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for the same, and the term of the agreement. Such costs include, specifically, the payment by community college districts of costs pursuant to Sections 3-37, 3-38, 3-40 and 3-40.1 of the Public Community College Act and by school districts of costs pursuant to Sections 10-22.20a and 10-23.3a of The School Code;

L. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that: 1) such costs are to be paid directly from the special tax allocation fund established pursuant to this Act; 2) such payments in any one year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year; 3) if there are not sufficient funds available in the special tax allocation fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund; 4) the total of such interest payments paid pursuant to this Act may not exceed 30% of the total (I) cost paid or incurred by the redeveloper for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act.

Taxing Districts: Counties, townships, cities and incorporated towns and Citys, school, road, park, sanitary, mosquito abatement, forest preserve, public health, fire protection, river conservancy, tuberculosis sanitarium and any other municipal corporations or districts with the power to levy taxes.

Taxing Districts' Capital Costs: Those costs of taxing districts for capital improvements that are found by the municipal corporate authorities to be necessary and directly result from the redevelopment project.

Obligations: Bonds, loans, debentures, notes, special certificates or other evidence of indebtedness issued by the municipality to carry out a redevelopment project or to refund outstanding obligations.

Labor Surplus Municipality: A municipality in which, at any time during the 6 months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Labor Statistics publication entitled "The Employment Situation" or its successor publication. If unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal County in which the municipality is located.

Industrial Park Conservation Area: An area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 ½ miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

Vacant Land: Any parcel or combination of parcels of real property without industrial, commercial, and residential buildings which has not been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area, unless the parcel is included in an industrial park conservation area or the parcel has been subdivided; provided that if the parcel was part of a larger tract that has been divided into 3 or more smaller tracts that were accepted for recording during the period from 1950 to 1990, then the parcel shall be deemed to have been subdivided, and all proceedings and actions of the municipality taken in that connection with respect to any previously approved or designated redevelopment project area or amended redevelopment project area are hereby validated and hereby declared to be legally sufficient for all purposes of this Act.

> For purposes of this Section and only for land subject to the subdivision requirements of the Plat Act, land is subdivided when the original plat of the Redevelopment Project Area or relevant portion thereof has been properly certified, acknowledged, approved, and recorded or filed in accordance with the Plat Act and a preliminary plat, if any, for any subsequent phases of the Redevelopment Project Area or relevant portion thereof has been properly approved and filed in accordance with the applicable ordinance of the municipality.

Blighted Area: Any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where: If **improved**, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of <u>5 or more of the following factors</u>, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area:

A. Dilapidation. An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed.

B. Obsolescence. The condition or process of falling into disuse. Structures have become ill-suited for the original use.

C. Deterioration. With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces.

D. Presence of structures below minimum code standards. All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes.

E. Illegal use of individual structures. The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards.

F. Excessive vacancies. The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies.

G. Lack of ventilation, light, or sanitary facilities. The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building.

H. Inadequate utilities. Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated, antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project area.

I. Excessive land coverage and overcrowding of structures and community facilities. The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service.

J. Deleterious land use or layout. The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area.

K. Environmental clean-up. The redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

L. Lack of community planning. The redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

M. The total equalized assessed value of the redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

If **vacant**, the sound growth of the redevelopment project area is impaired by a combination of <u>two or more of the following factors</u>, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

A. Obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities.

B. Diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development.

C. Tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years.

D. Deterioration of structures or site improvements in neighboring areas adjacent to the vacant land.

E. The area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area.

F. The total equalized assessed value of the redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated.

If **vacant**, the sound growth of the redevelopment project area is impaired by <u>one of the following factors</u> that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains:

A. The area consists of one or more unused quarries, mines, or strip mine ponds.

B. The area consists of unused railyards, rail tracks, or railroad rights-of-way.

C. The area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding.

D. The area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites.

E. Prior to the effective date of this amendatory Act of the 91st General Assembly, the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or City center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose.

F. The area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

Conservation Area: Any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the factors listed above for "Blighted Improved Areas" is detrimental to the public safety, health, morals or welfare and such an area may become a Blighted Area.

APPENDIX B.
INTRODUCTION TO TAX INCREMENT FINANCING

The search for innovative local financing for economic development is a constant challenge for most cities, towns, and villages throughout the country. For many communities, particularly those in rural areas, Tax Increment Financing (TIF) is often the only locally controlled mechanism available for stimulating new investment, economic growth, and a better quality of life.

TIF in Illinois establishes a geographic boundary (i.e., a district or redevelopment project area) for which new private investment is encouraged. To facilitate new investment, a City, Town or Village may issue debt instruments to finance specific public sector improvements that will enable the redevelopment of deteriorated, blighted, or other conservation areas within its corporate limits. By making public improvements, the municipality may invite new private investment so that the expected increase in property tax revenues (i.e., the increment) can be captured to amortize the public facility debt. Sometimes a municipality chooses to use TIF on a *pay-as-you-go* basis whereby revenue is spent as it is collected. In either case, it is expected that new investment in a designated redevelopment area will stimulate a resurgence of population, employment, and assessed valuation throughout the entire community.

It should be noted that TIF does not raise property taxes and it does not create a new tax or a new taxing district. Only an increased assessment or an overall increase in tax rates can raise taxes. TIF is merely used to reallocate increased property tax revenues created by increased assessed valuation that is realized after a TIF District is established. A TIF District may last for up to 23 years unless the municipality chooses a shorter period. The advantage of TIF for the municipality is that it is able to preserve a property tax base during the life of the TIF District that will pay for the basic public services the TIF redevelopment area already receives. New incremental property tax revenue helps pay for the infrastructure necessary for stimulating additional private-sector investment.

In 1977, the Illinois Legislature passed the "Tax Increment Allocation Redevelopment Act," now recorded as 65 ILCS 5/11-74.4 *et seq*. The TIF Act recognizes that in many municipalities of the State blighted and conservation areas exist which need to be developed or redeveloped to eliminate those conditions or prevent them from occurring. The Act further declares that prevention or eradication of these conditions by private and public redevelopment projects is essential to the public interest.

In Village of Canton v. Crouch, 79 Ill. 2d 356 (1980) the Illinois Supreme Court, approving the use of TIF, stated:

"Stimulation of economic growth and removal of economic stagnation are also objectives which enhance the public [good]."

How Does TIF Work?

Tax Increment Financing is a powerful tool that enables municipalities to self-finance its redevelopment programs. TIF funds can pay for public improvements and other economic development incentives using the increased property tax revenue the improvements help generate. Everyone pays their taxes within a TIF District. However, a TIF District does not generate tax revenues by increasing tax rates. Rather, TIF generates revenues by allowing the municipality to capture, temporarily, the new tax revenues generated by the enhanced valuation of properties resulting from the various redevelopment projects. The overall process for creating a TIF District includes:

1) The Village identifies an economically stagnant or physically declining area and determines that private investment in the area is not likely to occur at a reasonable rate if no public investment is forthcoming.

2) Having completed studies and plans and conducted public hearings as called for by state law, the Village creates a new TIF District.

3) The County Clerk certifies the total equalized assessed valuation of property in the redevelopment project area as of the date the TIF District is created. All property taxes arising from this certified initial valuation, or "base value," continue to be paid to existing taxing bodies within the TIF District. Any incremental taxes arising from increases in property values after this point are re-allocated and set aside for "public and private redevelopment project costs" within the designated redevelopment project area.

   Within a TIF District, all overlapping taxing districts continue to receive property taxes levied on the base equalized assessed valuation (EAV) of properties within the project area. The Village also has the authority to enter into Intergovernmental Agreements to address any additional financial impact the TIF District may pose.

4) The Village makes public improvements and provides other assistance intended to spur private development within the TIF District. To defray the cost, the Village can sell bonds secured by the incremental taxes the improvements will generate or reimburse certain public and private development costs using a *pay-as-you-go* approach.

5) After 23 years, all obligations must be paid off and the TIF District is dissolved. All taxes then generated on the new assessed valuation are distributed to the taxing bodies. The TIF District may be ended earlier than 23 years if there are no remaining obligations for which real estate tax increment has been previously committed.

A TIF District's revenues ("tax increment") come from the increased assessed value of property and improvements within the District. Once a TIF District is established, the "base" assessed value is determined. As vacant land and dilapidated properties develop with TIF assistance, the equalized assessed valuation (EAV) of those properties increases. New property taxes resulting from the increased assessed valuation above the base value create an incremental increase in tax revenues generated within the TIF District.

The " tax increment" created between the "baseline" and the new EAV is captured, deposited into a special Village TIF account and used solely for economic development. The real estate tax increment can be used as a source of revenue to reimburse certain costs for public and private projects either by issuing TIF bonds or by reimbursing developers on a "pay-as-you-go" basis. All of the other taxing bodies continue to receive real estate tax revenue from the base assessed valuation , so there is no loss of revenue to those local taxing bodies. For additional information, visit www.tifillinois.com.

The maximum life of a TIF District is 23 years. When the TIF expires and the town's investments in both public and private redevelopment projects within the TIF redevelopment area are fully repaid, property tax revenues are again shared by all the taxing bodies. All taxing bodies then share the expanded tax base – the growth which would not have been possible without the utilization of Tax Increment Financing.

How Long Does it Take to Create a TIF District?

Typically the process for establishing a TIF District requires 6-8 months to complete. The length of time required to create a TIF District depends on several factors such as the municipality's ability to complete necessary annexations and the availability of local property tax data, historical records, maps, and other planning documents. Once the calendar is set for the Public Hearing, statutory guidelines determine the earliest date when the TIF District may be created.

There are many opportunities for public participation during the process of creating and operating a TIF District. A written Redevelopment Plan must be available for public review at least 45 days prior to a Public Hearing. The Public Hearing offers the community a chance to raise questions, voice concerns, and learn about the goals and objectives driving the redevelopment effort before the District is created.

What Conditions Qualify an Area to be Designated as a TIF District?

In addition to being located within the municipal boundaries or annexed to the municipality, the TIF Act includes three sets of conditions for qualifying an area as a TIF District:

- Blighted Conditions – examples include dilapidation, obsolescence, deterioration, inadequate utilities, declining assessed valuations.
- Conservation Conditions – at least 50% of the structures in the proposed redevelopment area are 35 years of age or older.
- Industrial Park Conservation Conditions – based largely on a relatively high unemployment rate.

How Can TIF District Funds Be Used?

When the Illinois General Assembly adopted the Illinois Tax Increment Allocation Redevelopment Act (ILCS 65 5/11-74.4 *et. seq.*) in 1977, it granted municipalities the power and authority to address the adverse conditions of blighted and conservation areas within their jurisdictions by undertaking redevelopment projects that were essential to the public interest. TIF can be used to fund a variety of public improvements and other investments that are indeed essential to a successful redevelopment program, including:

- Area-wide public infrastructure improvements such as road and sidewalk repairs, utility upgrades, water and sewer projects.

- Acquisition, clearance and other land assembly and site preparation activities.
- Rehabilitation of older, deteriorating or obsolescent buildings.
- Correction or mitigation of environmental problems and concerns.
- Job training, workforce readiness and other related educational programs.
- Incentives to retain or attract private development.

For more information about Tax Increment Financing, please contact:

Jacob & Klein, Ltd. and
The Economic Development Group, Ltd.
1701 Clearwater Avenue, Bloomington, IL 61704
Ph: (309) 664-7777 Fax: (309) 664-7878
Website: www.tifillinois.com

APPENDIX C.

ANNEXATIONS

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THE VILLAGE OF COAL CITY

GRUNDY & WILL COUNTIES, ILLINOIS

ORDINANCE
NUMBER 10-28

AN ORDINANCE ANNEXING CERTAIN PROPERTY TO THE VILLAGE OF COAL CITY (ATG Trust Company – 211 Acres)

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Coal City on August 9, 2010

Ancel, Glink, Diamond, Bush, DiCianni & Krafthefer, P.C. – 207 W. Jefferson, Suite 402, Bloomington, IL 61701

VILLAGE OF COAL CITY

ORDINANCE NO. 10-28

AN ORDINANCE ANNEXING CERTAIN PROPERTY TO THE VILLAGE OF COAL CITY (ATG Trust Company – 211 Acres)

WHEREAS, ATG Trust Company, as Successor Trustee to Centrue Bank, as Successor Trustee to Kankakee Federal Savings Bank Under Trust Agreement date October 24, 2002 and known as Trust No. LT0215 (collectively, "***Owner***") is the owner of record of certain real property consisting of approximately 211 acres, located in unincorporated Grundy County, Illinois, and legally described in **Exhibit A** attached to this Ordinance ("***Unincorporated Parcel***"); and

WHEREAS, the Unincorporated Parcel is contiguous to the corporate limits of the Village and is not within the corporate limits of any municipality; and

WHEREAS, Owner and the Village desire to have the Unincorporated Parcel annexed to the Village pursuant to and in accordance with the provisions of Section 7-1-8 of the Illinois Municipal Code, 65 ILCS 5/7-1-8; and

WHEREAS, Owner has filed with the Village Clerk a duly executed petition for annexation that seeks annexation of the Unincorporated Parcel to the Village; and

WHEREAS, there are no electors residing within the boundaries of the Unincorporated Parcel; and

WHEREAS, the Village has approved an Annexation Agreement to govern the annexation and development of the Unincorporated Parcel ("***Annexation Agreement***"); and

WHEREAS, all petitions and other documents necessary to accomplish the annexation of the Unincorporated Parcel to the Village have been executed; and

WHEREAS, notice of the annexation has been delivered to all entities and officials in accordance with, and as required by or pursuant to, the provisions of Section 7-1-1 of the Illinois Municipal Code, 65 ILCS 5/7-1-1; and

WHEREAS, the Village is authorized to annex the Unincorporated Parcel pursuant to Section 7-1-8 of the Illinois Municipal Code, 65 ILCS 5/7-1-8; and

WHEREAS, the President and Board of Trustees of the Village have found and determined that it is in the best interests of the Village that the Unincorporated Parcel annexed pursuant to the terms of the Annexation Agreement;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF COAL CITY, COUNTIES OF GRUNDY AND WILL, STATE OF ILLINOIS, as follows:

SECTION ONE. Recitals. The foregoing recitals are hereby incorporated into, and made a part of, this Ordinance as findings of the Board of Trustees of the Village of Coal City.

SECTION TWO. Annexation. The Unincorporated Parcel shall be, and it is hereby, annexed to the Village of Coal City.

SECTION THREE. Recordation and Reporting. The Village Clerk shall be, and is hereby, authorized and directed to record in the Office of the Grundy County Recorder of Deeds promptly after the effective date of this Ordinance, a certified copy of this Ordinance, including the Plat of Annexation, and the affidavits of service of notice as required by law. The Village Administrator shall be, and is hereby, authorized and directed to notify the Election Authorities, as defined in Section 7-1-1 of the Illinois Municipal Code. 65 ILCS 5/7-1-1, and the United States Post Office branches serving the Unincorporated Parcel of the annexation by registered or certified mail within 30 days after the effective date of this Ordinance.

SECTION FOUR. Effective Date. This Ordinance shall be in full force and effect on and after its (i) passage, approval, and publication in pamphlet form in the manner provided by law and (ii) recordation with the Grundy County Recorders Office; provided, however, that this Ordinance shall be of no force or effect until after the Annexation Agreement has been executed by the Village and the Owner.

PASSED this 9 day of August, 2010.

AYES: 5

NAYS: 0

ABSTAIN: 0

ABSENT: 1

APPROVED this 9 day of August, 2010.

Village President

ATTEST:

Village Clerk

Exhibit A

Legal Description of the Unincorporated Parcel

The East half of Section 15, Township 32 North, Range 8 East of the Third Principal Meridian in Grundy County, Illinois, Excepting therefrom the following described tracts:

The South 560 feet (as measured perpendicularly to the South line thereof) of the East half of Section 15, Township 32 North, Range 8 East of the Third Principal Meridian;

The West 311.50 feet (as measured perpendicularly to the West line thereof) of the East half of Section 15 (excepting therefrom the South 560 feet therefrom); in Township 32 North, Range 8 East of the Third Principal Meridian;

The East 45 feet of the West 356.5 feet (as measured perpendicularly to the West line thereof) of the East half of Section 15, Township 32 North, Range 8 East of the Third Principal Meridian (Except the South 560 feet thereof)

And also excepting therefrom

The North 1358.70 feet of the Northeast quarter of Section 15, Except the West 356.50 feet thereof in Township 32 north, Range 8 East of the Third Principal Meridian, in Grundy County, Illinois.

Parcel II:

The West 60 acres (being all that part lying West of the Right-of-Way of the Gulf, Mobile & Ohio Railroad Co.) of the West half of the Southwest Quarter of Section 14, Township 32 North, Range 8 East of the Third Principal Meridian, in Grundy County, Illinois excepting therefrom the following described tract;

The South 560 feet (as measured perpendicularly to the South line thereof) of the Southwest Quarter of Section 14 lying West of the Gulf, Mobile & Ohio Railroad Right-of-Way; Township 32 North, Range 8 East of the Third Principal Meridian.

And also Excepting therefrom;

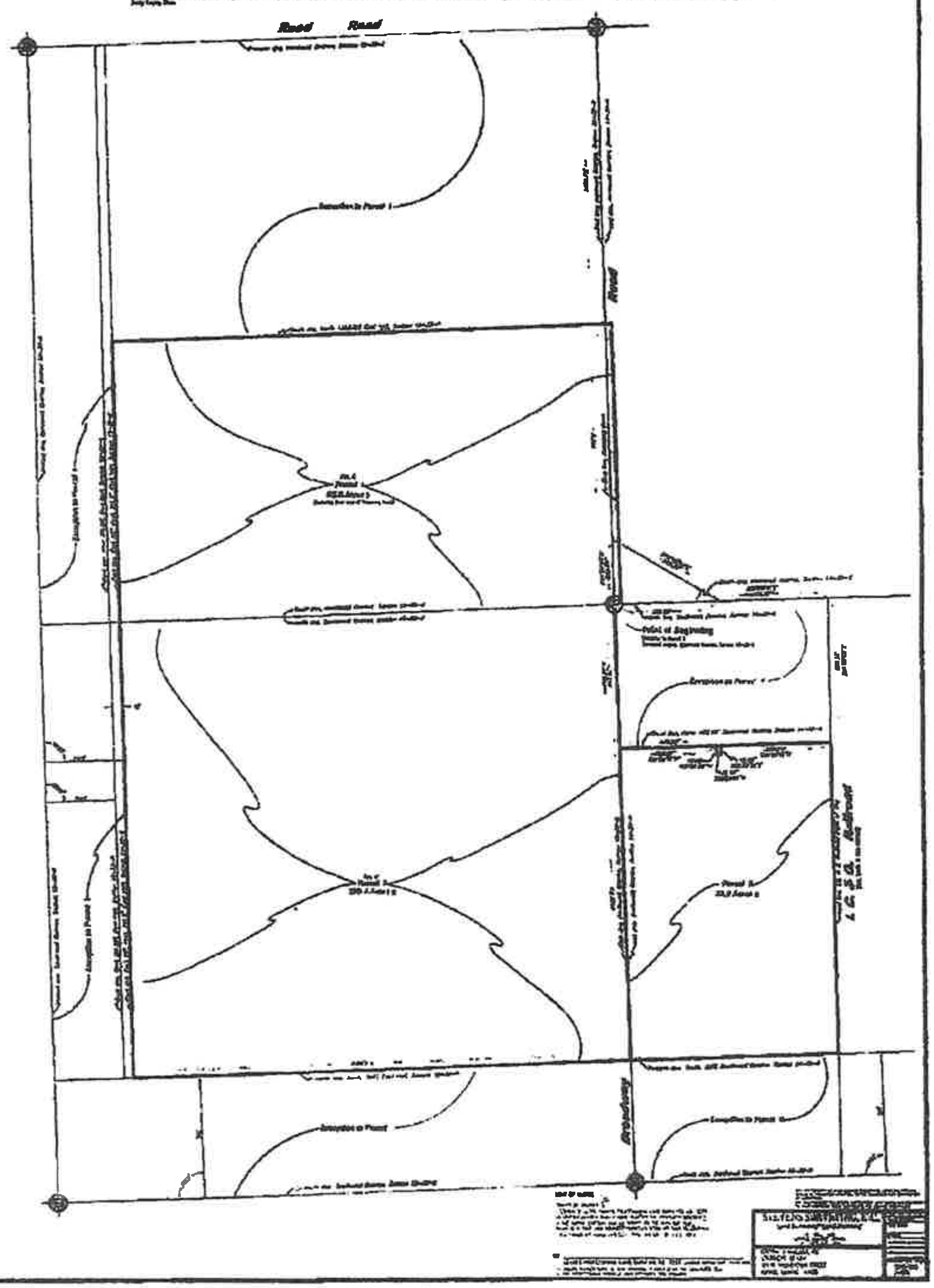
That part of the Northwest quarter and the Southwest quarter of Section 14, Township 32 North, Range 8 East of the Third Principal Meridian, described as follows: Beginning at the Southwest corner of said Northwest quarter; thence on an assumed bearing of North 01 degree 20 minutes 59 seconds West, on the West line of said Northwest quarter 300.00 feet; thence South 60 degrees 45 minutes 51 seconds East 580.81 feet to a point on the South line of said Northwest quarter that is 500.00 feet East of the Southwest corner of said Northwest quarter, as measured along said South line; thence North 88 degrees 08 minutes 11 seconds East, on said South line 496.17 feet to the West Right-of-Way line of the Illinois Central Gulf Railroad; thence South 00 degrees 47 minutes 09 seconds East on said Right-of-Way line, 665.12 feet to the South line of the North 665.00 feet of said Southwest quarter; thence South 88 degrees 08 minutes 11 seconds West, on said South line, 509.84 feet to a point that is 479.82 feet East of the West line of said Southeast quarter, as measured on said South line; thence South 01 degrees 20 minutes 56 seconds East, parallel with the West line of said Southwest quarter 40.00 feet; thence South 88 degrees 08 minutes 11 seconds West parallel with the North line of said

Southwest quarter, 21.00 feet; thence North 01 degrees 20 minutes 56 seconds West parallel with the West line of said Southwest quarter 40.00 feet to the South line of the North 665.00 feet of said Southwest quarter; thence South 88 degrees 08 minutes 11 seconds West on said South line 458.82 feet to the West line of said Southwest quarter; thence North 01 degrees 20 minutes 56 seconds West, on said West line 665.03 feet to the point of beginning, in Grundy County, Illinois.

Exhibit B

Annexation Plat

PLAT OF ANNEXATION



THE VILLAGE OF COAL CITY

GRUNDY & WILL COUNTIES, ILLINOIS

ORDINANCE
NUMBER 10-29

**AN ORDINANCE ANNEXING CERTAIN PROPERTY
TO THE VILLAGE OF COAL CITY
(Coal City II, LLC & Unicorn Investments, LLC – 230 Acres)**

Published in pamphlet form by authority of the President and Board of Trustees of the Village of Coal City
on August 9, 2010

Ancel, Glink, Diamond, Bush, DiCianni & Krafthefer, P.C. – 207 W. Jefferson, Suite 402, Bloomington, IL 61701

VILLAGE OF COAL CITY

ORDINANCE NO. 10-29

AN ORDINANCE ANNEXING CERTAIN PROPERTY TO THE VILLAGE OF COAL CITY (Coal City II, LLC & Unicorn Investments, LLC – 230 Acres)

WHEREAS, Coal City II, LLC, and Unicorn Investments, LLC (collectively, "***Owner***") is the owner of record of certain real property consisting of approximately 230 acres, located in unincorporated Grundy County, Illinois, and legally described in **Exhibit A** attached to this Ordinance ("***Unincorporated Parcel***"); and

WHEREAS, the Unincorporated Parcel is contiguous to the corporate limits of the Village and is not within the corporate limits of any municipality; and

WHEREAS, Owner and the Village desire to have the Unincorporated Parcel annexed to the Village pursuant to and in accordance with the provisions of Section 7-1-8 of the Illinois Municipal Code, 65 ILCS 5/7-1-8; and

WHEREAS, Owner has filed with the Village Clerk a duly executed petition for annexation that seeks annexation of the Unincorporated Parcel to the Village; and

WHEREAS, there are no electors residing within the boundaries of the Unincorporated Parcel; and

WHEREAS, the Village has approved an Annexation Agreement to govern the annexation and development of the Unincorporated Parcel ("***Annexation Agreement***"); and

WHEREAS, all petitions and other documents necessary to accomplish the annexation of the Unincorporated Parcel to the Village have been executed; and

WHEREAS, notice of the annexation has been delivered to all entities and officials in accordance with, and as required by or pursuant to, the provisions of Section 7-1-1 of the Illinois Municipal Code, 65 ILCS 5/7-1-1; and

WHEREAS, the Village is authorized to annex the Unincorporated Parcel pursuant to Section 7-1-8 of the Illinois Municipal Code, 65 ILCS 5/7-1-8; and

WHEREAS, the President and Board of Trustees of the Village have found and determined that it is in the best interests of the Village that the Unincorporated Parcel annexed pursuant to the terms of the Annexation Agreement;

NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF COAL CITY, COUNTIES OF GRUNDY AND WILL, STATE OF ILLINOIS, as follows:

SECTION ONE. Recitals. The foregoing recitals are hereby incorporated into, and made a part of, this Ordinance as findings of the Board of Trustees of the Village of Coal City.

SECTION TWO. Annexation. The Unincorporated Parcel shall be, and it is hereby, annexed to the Village of Coal City.

SECTION THREE. Recordation and Reporting. The Village Clerk shall be, and is hereby, authorized and directed to record in the Office of the Grundy County Recorder of Deeds promptly after the effective date of this Ordinance, a certified copy of this Ordinance, including the Plat of Annexation, and the affidavits of service of notice as required by law. The Village Administrator shall be, and is hereby, authorized and directed to notify the Election Authorities, as defined in Section 7-1-1 of the Illinois Municipal Code, 65 ILCS 5/7-1-1, and the United States Post Office branches serving the Unincorporated Parcel of the annexation by registered or certified mail within 30 days after the effective date of this Ordinance.

SECTION FOUR. Effective Date. This Ordinance shall be in full force and effect on and after its (i) passage, approval, and publication in pamphlet form in the manner provided by law and (ii) recordation with the Grundy County Recorders Office; provided, however, that this Ordinance shall be of no force or effect until after the Annexation Agreement has been executed by the Village and the Owner.

PASSED this 9 day of August, 2010.

AYES: 5

NAYS: 0

ABSTAIN: 0

ABSENT: 1

APPROVED this 9 day of August, 2010.

Village President

ATTEST:

Village Clerk

Exhibit A

Legal Description of the Unincorporated Parcel

The North Half of the Southwest Quarter, the Northwest Quarter of the Northwest Quarter, the Northeast Quarter of the Northwest Quarter and the East Half of the Southeast Quarter of the Northwest Quarter, all situated in Section 15, Township 32 North, Range 8 East of the Third Principal Meridian, in Grundy County, Illinois.

The Southwest Quarter of the Northwest Quarter and the West Half of the Southeast Quarter of the Northwest Quarter of Section 15, Township 32 North, Range 8 East of the Third Principal Meridian, except the following:

Beginning at the Southwest corner of the Northwest Quarter; thence North 89 degrees 36 minutes 40 seconds East along the South line of the Northwest Quarter, 375.00 feet; thence North 350.00 feet; thence South 89 degrees 36 minutes 40 seconds West, 375.00 feet to the West line of the Northwest Quarter; thence South along the West line, 350.00 feet to the point of beginning; and also excepting the following: Commencing at the Southwest corner of the Northwest Quarter; thence North along the West line of the Northwest Quarter, 975.56 feet to the point of beginning; thence continuing North, 350.00 feet to the Northwest corner of Southwest Quarter of the Northwest Quarter; thence North 89 degrees 39 minutes 37 seconds East along the North line of the said Southwest Quarter of the Northwest Quarter, 355.01 feet; thence South parallel with the said West line, 352.10 feet, thence West 355.0 feet to the point of beginning; all in Grundy County, Illinois.

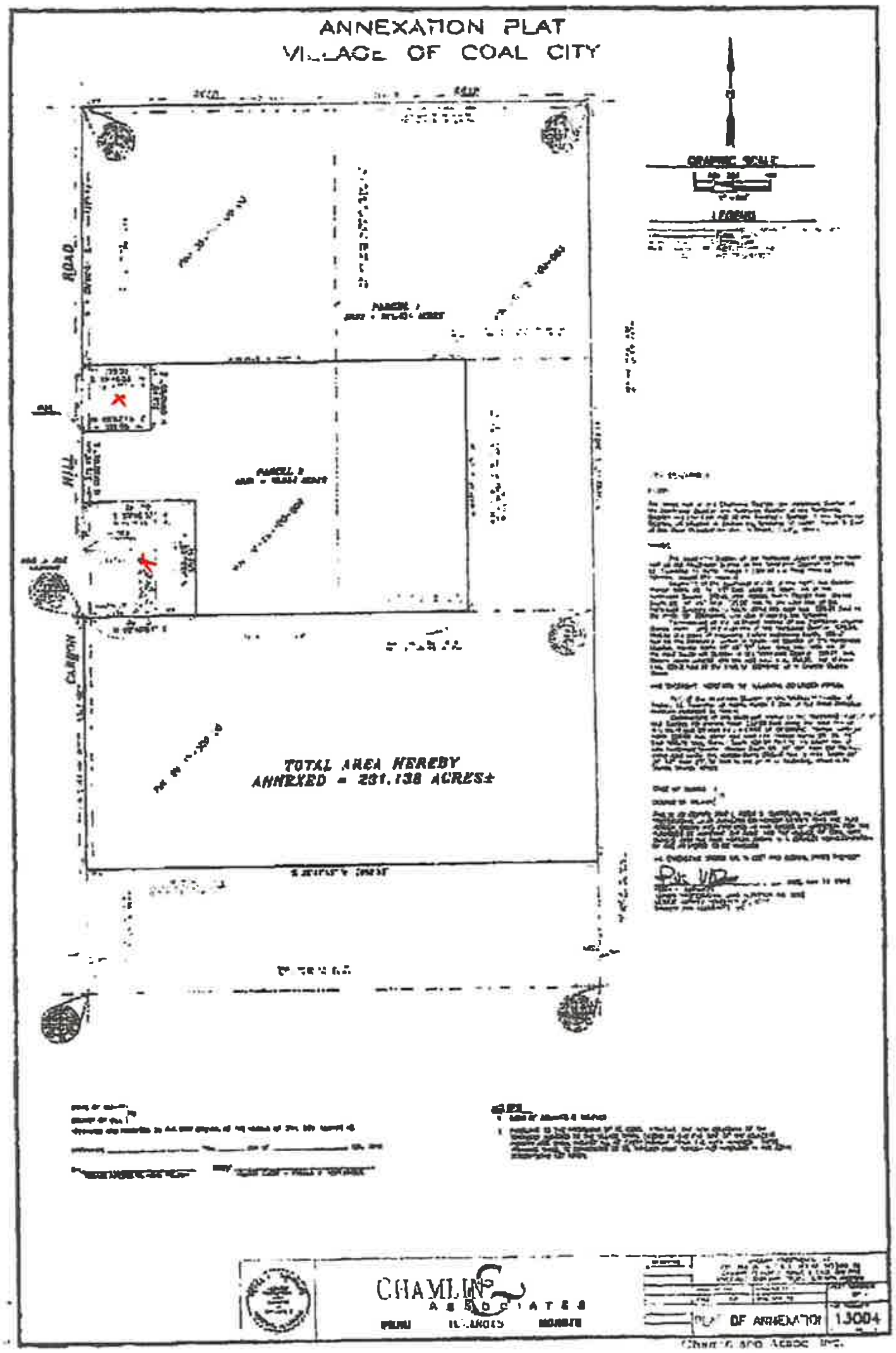
And excepting therefrom the following described parcel:

Part of the Southwest Quarter of the Northwest Quarter of Section 15, Township 32 North, Range 8 East of the Third Principal Meridian described as follows:

Commencing at the Southwest corner of the Northwest Quarter of Said Section 15; thence North 350.00 feet along the west line of said Northwest Quarter to the point of beginning; thence continue North 250.01 feet along said West line; thence North 89 degrees 36 minutes 40 seconds East 581.75 feet; thence South 600.01 feet to the South line of said Northwest Quarter; thence South 89 degrees 36 minutes 40 seconds West 206.75 feet along said South line; thence North 350.00 feet; thence South 89 degrees 36 minutes 40 seconds West 375.00 feet to the point of beginning, situated in Grundy County, Illinois.

Exhibit B

Annexation Plat


ANNEXATION PLAT
VILLAGE OF COAL CITY
ROAD
HILL
TOTAL AREA HEREBY
ANNEXED = 231.138 ACRES±
CHAMLIN & ASSOCIATES
ILLINOIS
PLAT OF ANNEXATION
13004