

CERTIFICATE

THE UNDERSIGNED CERTIFIES THAT SHE IS THE VILLAGE CLERK FOR THE VILLAGE OF MT. ZION, ILLINOIS, AND THAT THE VILLAGE COUNCIL AT A REGULARLY CONSTITUTED MEETING OF SAID VILLAGE COUNCIL OF THE VILLAGE OF MT. ZION ON THE 17TH DAY OF JUNE, 2024, ADOPTED ORDINANCE NO. 2024- 18 , A TRUE AND CORRECT COPY OF WHICH IS CONTAINED IN THIS PAMPHLET.

GIVEN UNDER MY HAND AND SEAL THIS 17TH DAY OF JUNE, 2024.

(SEAL)



DAWN REYNOLDS
VILLAGE CLERK

VILLAGE OF MT. ZION, ILLINOIS

ORDINANCE NO. 2024- 18

MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II
MT. ZION BUSINESS DEVELOPMENT DISTRICT NO. 1

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A
REDEVELOPMENT AGREEMENT

by and between

THE VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS

and

1918 GARAGE, LLC

and

RYAN M. BEAVERS

PASSED BY THE PRESIDENT AND BOARD OF TRUSTEES
OF THE VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS,
ON THE 17TH DAY OF JUNE, 2024.

PUBLISHED IN PAMPHLET FORM BY AUTHORITY OF THE VILLAGE BOARD OF
TRUSTEES FOR THE VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS,
THIS 17TH DAY OF JUNE, 2024.

EFFECTIVE: JUNE 17, 2024

VILLAGE OF MT. ZION, ILLINOIS: ORDINANCE NO. 2024- 18

MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II
MT. ZION BUSINESS DEVELOPMENT DISTRICT NO. 1

**AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A REDEVELOPMENT AGREEMENT**

**by and between
THE VILLAGE OF MT. ZION
and
1918 GARAGE, LLC
and
RYAN M. BEAVERS**

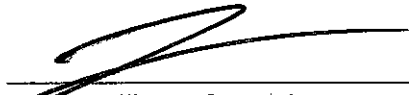
**BE IT ORDAINED BY THE VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS
THAT:**

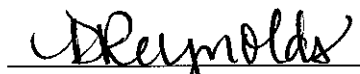
1. The Redevelopment Agreement with 1918 Garage, LLC and Ryan M. Beavers (*Exhibit A* attached) is hereby approved.
2. The Mayor is hereby authorized and directed to enter into and execute on behalf of the Village said Redevelopment Agreement and the Village Clerk of the Village of Mt. Zion is hereby authorized and directed to attest such execution.
3. The Redevelopment Agreement shall be effective the date of its approval on the 17th day of June, 2024.
4. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

(The remainder of this page is intentionally left blank.)

PASSED, APPROVED AND ADOPTED by the Corporate Authorities of the Village of Mt. Zion, Macon County, Illinois, on the 17th day of June, 2024, and deposited and filed in the Office of the Village Clerk of said Village on that date.

| MAYOR & TRUSTEES | AYE VOTE | NAY VOTE | ABSTAIN/ABSENT |
|-----------------------|----------|----------|----------------|
| Chris Siudyla | X | | |
| Donna Scales | X | | |
| Wendy Kernan | X | | |
| Randy Doty | X | | |
| Nate Patrick | | | X |
| Phil Tibbs | X | | |
| Lucas Williams, Mayor | | | |
| TOTAL VOTES | 5 | 0 | 1 |

APPROVED:  _____, Date: 6 / 17 / 2024
 Mayor, Village of Mt. Zion

ATTEST:  _____, Date: 6 / 17 / 2024
 Village Clerk, Village of Mt. Zion

ATTACHMENTS:

EXHIBIT A. REDEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF MT. ZION AND 1918 GARAGE, LLC AND RYAN M. BEAVERS.

EXHIBIT A

**MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II
MT. ZION BUSINESS DEVELOPMENT DISTRICT NO. 1
REDEVELOPMENT AGREEMENT**

by and between

VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS

and

1918 GARAGE, LLC

and

RYAN M. BEAVERS

**MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II
MT. ZION BUSINESS DEVELOPMENT DISTRICT (BDD) NO. 1
REDEVELOPMENT AGREEMENT**

by and between

VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS

and

1918 GARAGE, LLC

and

RYAN M. BEAVERS

JUNE 17, 2024

**MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II
MT. ZION BUSINESS DEVELOPMENT DISTRICT (BDD) NO. 1
REDEVELOPMENT AGREEMENT**

by and between
VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS
and
1918 GARAGE, LLC
and
RYAN M. BEAVERS

THIS AGREEMENT (including Exhibits) is entered into this 17th day of June, 2024, by and between the **VILLAGE OF MT. ZION** (the “Village”), an Illinois Municipal Corporation, Macon County, Illinois; and **1918 GARAGE, LLC**, an Illinois Limited Liability Company, and **RYAN M. BEAVERS** (collectively the “Developer”). Hereinafter the Village and the Developer, for convenience, may collectively be referred to as the “Parties.”

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 investment in the marketability of property thereby increasing the tax base of the Village and providing employment for its citizens; and

WHEREAS, it is the intent of the Village to encourage economic development which will increase the real estate tax base as well as other revenue sources of the Village, which increased tax base will be used, in part, to finance incentives to assist development within the Redevelopment Project Area; and

WHEREAS, Illinois statute (65 ILCS 5/8-1-2.5) allows a municipality to appropriate and expend funds for economic development purposes, including, without limitation, the making of grants to commercial enterprises that are deemed 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 *et seq.*, as amended (the “TIF Act”), the Village has the authority to provide incentives to owners or prospective owners of real property to acquire, redevelop, rehabilitate and/or upgrade such property by reimbursing such owner(s) for certain costs incurred in connection with the acquisition, redevelopment, rehab and/or upgrades from increases in real estate tax revenues (“Tax Increment”) resulting therefrom or from other Village revenues to the extent specified and agreed herein; and

WHEREAS, on January 19, 2021 the Village established the **Mt. Zion Rt. 121 Tax Increment Financing (TIF) District II** (the “TIF District”), pursuant to the TIF Act by approving a Tax Increment Financing Plan and Projects (Ordinance No. 2021-1), designating a Redevelopment Project Area (Ordinance No. 2021-2), and adopting Tax Increment Financing (Ordinance No. 2021-3) for the TIF District; and

WHEREAS, pursuant to Section 5/11-74.4-4 (b) of the TIF Act, the Village may make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and

others necessary or incidental to the implementation and furtherance of the Redevelopment Project Area; and

WHEREAS, pursuant to the Illinois Business District Development and Redevelopment Act (65 ILCS 5/11-74.3-1 *et seq.*), as amended (the “BDD Act”), on September 14, 2020 the Village established the **Mt. Zion Business Development District No. 1** (the “Business District” or “BDD”) by Ordinance No. 2020-16; and

WHEREAS, pursuant to Section 5/11-74.3-3 of the BDD Act, the Village may make and enter into all contracts necessary or incidental to the implementation and furtherance of a business district plan, including reimbursements to developers who incur redevelopment project costs authorized by a redevelopment agreement and further defined in Section 5/11-74.3-5 of the BDD Act; and

WHEREAS, the TIF District and BDD includes property owned by the Developer located at 445 & 455 W Main Street (the “Property”) (PINs 12-17-04-454-001 & 12-17-04-454-002); and

WHEREAS, the Developer is proceeding with plans to renovate and rehabilitate the commercial building, including restoring the electrical, removing equipment, and cleaning up the façade, to secure a commercial tenant and is doing so based upon the expected availability of TIF real estate tax increment and BDD incentives offered by the Village (collectively the “Project”); and

WHEREAS, the Project is consistent with the Mt. Zion Rt. 121 TIF District II Redevelopment Plan and Projects (the “TIF Plan”) and the Mt. Zion BDD No. 1 Redevelopment Plan and Projects (the “BDD Plan”) and shall further conform to land use ordinances of the Village; and

WHEREAS, pursuant to Section 5/11-74.4-4 (j) and Section 5/11-74.4-3 (q) of the TIF Act and Section 5/11-74.3-3 of the BDD Act, the Village may incur project redevelopment costs and reimburse developers who incur redevelopment project costs authorized by a redevelopment agreement, including those estimated TIF and BDD Eligible Project Costs as herein listed in the attached ***Exhibit “1” Estimated Project Costs*** of this Redevelopment Agreement; and

WHEREAS, the Village has determined that the Project requires the incentives set forth herein and the Project will, as a part of the TIF District and BDD, promote the health, safety and welfare of the Village and its citizens by attracting private investment to prevent blight and deterioration and to provide employment for its citizens and generally to enhance the economy of the Village; and

WHEREAS, the Village has determined that the Project is desirable for economic development in the Village; and

WHEREAS, the Village has reviewed the conditions of the Property and has reason to believe that the costs of the necessary public and private improvements, including but not limited to property acquisition and rehabilitation/renovation costs to be incurred by the Developer in furtherance of the Project are eligible projects costs under the TIF Act and BDD Act and are consistent with the TIF Plan and the BDD Plan of the Village; and

WHEREAS, the parties have agreed that the Village shall reimburse the Developer for its TIF eligible project costs as set forth in **Section “C”** below, up to a total amount not to exceed **Ten Thousand and 00/100 Dollars (\$10,000.00)** from the TIF District Special Tax Allocation Fund (the “TIF Fund”); and

WHEREAS, the Developer has also requested that incentives for the Project be provided by the Village from a portion of new Retailers’ Occupation Tax and/or Business District Service Occupation Tax, and Hotel Operators’ Occupation Tax that is attributable to such BDD Revenues that are generated in the Village’s BDD Fund, and the Village has agreed to such incentives; and

WHEREAS, the Parties have further agreed that pursuant to the terms set forth in **Section C** below, the Village shall reimburse the Developer for a portion of its BDD Eligible Project Costs incurred for the Project up to a total amount not to exceed **Six Thousand and 00/100 Dollars (\$6,000.00)** from the BDD Special Tax Allocation Fund (the “BDD Fund”); and

WHEREAS, the total cumulative reimbursements from the TIF Fund and BDD Fund paid by the Village to the Developer for the Project shall not, in any event, exceed **Sixteen Thousand and 00/100 Dollars (\$16,000.00)**; and

WHEREAS, in consideration of the execution of this Agreement, the Developer will, subject to the terms of this Agreement, complete the Project; and

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

A. PRELIMINARY STATEMENTS

1. The Village represents that the matters set forth in the recitals above are true and correct and are incorporated into this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the TIF Act and the BDD Act, unless indicated to the contrary. For purposes of this Agreement, the following definitions shall apply:
 - a. **“BDD Eligible Project Costs”** shall mean those costs eligible for reimbursement under the BDD Act, 65 ILCS 5/11-74.3-1 *et. seq.*, and are further described in **Exhibit “1”** attached hereto.
 - b. **“TIF Eligible Project Costs”** shall mean those costs which are eligible for reimbursement under the TIF Act, 65 ILCS 5/11-74.4 *et. seq.*, as amended, and are further described in **Exhibit “1”** attached hereto.
3. The parties acknowledge and agree that:
 - a. The Developer requested that TIF and BDD incentives for the Project be provided by the Village from the Village’s TIF and BDD Funds, and the Village has agreed to such TIF and BDD incentives;

- b. The Parties have agreed that the total cumulative reimbursements paid by the Village to the Developer from the TIF Fund for the Project shall not, in any event, exceed **Ten Thousand and 00/100 Dollars (\$10,000.00)**.
 - c. The Parties have agreed that the total cumulative reimbursements paid by the Village to the Developer from the BDD Fund for the Project shall not, in any event, exceed **Six Thousand and 00/100 Dollars (\$6,000.00)**.
 - d. The Parties have agreed that all reimbursements payable by the Village to the Developer for TIF and BDD Eligible Project Costs during the term of this Agreement shall not exceed the maximum cumulative reimbursement of **Sixteen Thousand and 00/100 Dollars (\$16,000.00)** as set forth herein, and shall be paid to the order of **1918 Garage, LLC** unless otherwise directed in writing to the Village by the Developer or assignee pursuant to **Section "N"** as herein provided.
3. The Developer shall remain in compliance with all municipal ordinances relating to property development, property condition, zoning, subdivision and building codes (collectively, the "Village Codes"). Failure to cure the violation of any such ordinance within thirty (30) days upon being provided written notice of the same by the Village shall be cause for the Village to declare the Developer in Default and unilaterally terminate this Agreement, except where such failure is not reasonably susceptible to cure within such 30-day period, in which case the Developer shall have such additional time to cure as is reasonably necessary, provided that the Developer has commenced such cure within such 30-day period and continues to diligently prosecute the same to completion.
 4. The Developer shall complete the Project on or before **April 1, 2029**, subject to extension due to Force Majeure (defined below). The Project shall be deemed to be complete when the renovations to the building are complete, the Village has issued a certificate of occupancy thereon, and the Developer has secured a tenant with a commercial business that is open to the public.
 5. The Developer agrees to provide any information to the Village upon request of the Village regarding the number of jobs created and/or retained by the Project as may be required by the Act and by the Illinois Comptroller.
 6. 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 the TIF District and BDD which includes the Property and has approved certain TIF and BDD Eligible Project Costs, including those set forth in **Exhibit "I"**, for the Project.

C. INCENTIVES

In consideration for the Developer's purchase of the Property and in anticipation of completion of the Developer's Project, the Village agrees to extend to Developer the following incentives to assist Developer's completion of the Project:

1. The Village agrees to loan the Developer an amount not to exceed **Ten Thousand Dollars (\$10,000.00)** from the TIF Fund for reimbursement of TIF eligible project costs incurred as a result of the Project. The terms and conditions for the Promissory Note attached hereto as **Exhibit "2"** shall be as follows:
 - a. The Loan shall be disbursed to the Developer from the TIF Fund upon completion of the Project and verification of TIF Eligible Project Costs in an amount not less than the Principal amount of the Loan for rehabilitation and renovation costs pursuant to **Section "E"** below.
 - b. The interest rate for the Loan shall be **Three Percent (3.0%)** per annum and shall begin to accrue on the date Principal Loan Funds are dispersed to the Developer.
 - c. The term of the Loan shall expire on the date that is five (5) years from the date of disbursement of the loan proceeds.
 - d. **One-fifth (1/5th)** of the principal Loan amount, plus any accrued interest thereon, shall be forgiven annually by the Village commencing one (1) year from the disbursement of loan proceeds and continuing on said date each year thereafter for the term of the Loan, provided the Developer has been at all times in full compliance with every term of this Agreement.
2. In addition, the Village agrees to reimburse the Developer an amount not to exceed **Six Thousand Dollars (\$6,000.00)** from the BDD Fund for reimbursement of BDD eligible project costs incurred as a result of the Developer's Project, payable upon completion of the Project, subject to verification of BDD Eligible Project Costs pursuant to **Section "E"** below, and the Developer providing the Village with a copy of a signed lease for a commercial tenant with a term of at least three (3) years.
3. The Parties agree that if any one of the following events takes place during the term of the Agreement, the Developer shall be found in default of the Agreement and will be deemed in default of the loan set forth in **Section "C(1)"**:
 - a. Upon completion of the Project, the Developer fails to maintain a valid lease for a commercial tenant for a period of sixty (60) days.
 - b. The Developer fails to annually provide verification of the payment of real estate taxes for the Property.
 - c. The Developer fails to provide verification of TIF and BDD Eligible Project Costs pursuant to **Section "E"** below and in amounts sufficient to satisfy *Paragraphs 1 and 2* above.
 - d. The Developer files for bankruptcy or otherwise becomes insolvent.
 - e. The property becomes the subject of foreclosure proceedings.
 - f. The Developer sells, transfers or vacates the Property at any point prior to the expiration of this Agreement.

- g. The Developer fails to carry adequate insurance on the Property to cover the replacement cost of the completed Project.
4. **Effect of Default:** In the event the Developer is in default of any of the terms set forth herein after applicable notice and cure periods, the Developer shall repay the then outstanding amount due on the Loan set forth in **Section "C(1)"** above including any accrued interest thereon, within thirty (30) days of written demand of the same from the Village.

D. LIMITATION OF INCENTIVES TO DEVELOPER

1. The Developer shall not be entitled to any other reimbursement by the Village for other TIF and BDD Eligible Project Costs beyond the maximum cumulative reimbursement of **Sixteen Thousand and 00/100 Dollars (\$16,000.00)** as set forth herein.
2. The Village is not obligated to use any of its proportionate share (i.e., the balance of real estate tax increment or BDD Revenues available after the reimbursement of Developer as required by the terms stated herein) of the monies for any of Developer's BDD Eligible Project Costs but, rather, the Village shall use its sums for any purpose under the Act as it may in its sole discretion determine.
3. The Developer agrees to substantially complete the Project, which includes the renovation of the commercial building to secure a commercial tenant subject to Force Majeure, as defined below.

E. PAYMENT OF TIF ELIGIBLE PROJECT COSTS

1. Payment to the Developer for TIF and BDD Eligible Project Costs as set forth by each respective Act shall be made by a Requisition for Payment of Private Development Redevelopment Costs (**Exhibit "3"** and the "Requisition") submitted by Developer to the Village's TIF/BDD Administrator, Jacob & Klein, Ltd., with a copy to The Economic Development Group, Ltd. (collectively the "Administrator"), and subject to the Administrator's approval of the costs. Developer may submit verification of costs and request reimbursement at one time, or as Eligible Project Costs, as listed in **Exhibit "1"** are incurred.
2. All Requisitions must be accompanied by verified bills or statements of suppliers, contractors, or professionals together with mechanic's lien waivers (whether partial or full) from each of the parties entitled to a payment that is the subject of the Requisition as required by the Village.
3. The Developer shall use such sums as reimbursement for eligible expenses only to the extent permitted by law and the TIF Act and BDD Act and may allocate such funds for any purpose during the term of this Agreement or the terms of the respective TIF District and BDD Redevelopment Project Areas, whichever are longer.
4. The Administrator shall approve or disapprove a Requisition by written receipt to the Developer within thirty (30) business days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld. If a Requisition is disapproved by the Administrator, the reasons for disapproval will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be reasonably required and the same procedures set forth herein shall apply to such re-submittals.

5. All TIF Eligible Project Costs approved shall then be paid by the Village to the Developer, or to others as directed by Developer, pursuant to the TIF Redevelopment Plan and as allowed by Illinois law. The Village shall pay such approved eligible costs annually, provided the Developer has satisfied the terms of this Agreement and costs which exceed the amount available to pay Developer shall carry forward, until paid, without further action of Developer. Payment shall be made within forty-five (45) days after approval subject to the terms of this Agreement and after receipt of the Real Estate Tax Increment generated by the Project from the County.
6. The Parties acknowledge that the determination of TIF and BDD Eligible Project Costs and, therefore, qualification for reimbursement hereunder, are subject to changes or interpretation made by amendments to the TIF Act and BDD Act, administrative rules, or judicial interpretation during the term of this Agreement. The Village has no obligation to the Developer to attempt to modify those decisions, however it will assist the Developer in every respect as to obtaining approval of TIF Eligible Project Costs.
7. The Developer may submit for prior approval of estimated TIF or BDD Eligible Project Costs by the Village before they are incurred subject to later confirmation by actual bills.

F. VERIFICATION OF REAL ESTATE TAX INCREMENT

1. It shall be the sole responsibility of the Developer or its designee to provide to the Village, as requested in writing, copies of all PAID real estate tax bills, annually, for the Property.
2. The failure of Developer to provide any information required herein after written notice from the Village, and the continued failure to provide such information within thirty (30) days after such notice, shall be considered a material breach of this Agreement and shall be cause for the Village to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

G. REIMBURSEMENT OF THE DEVELOPER'S SHARE OF TAX OBJECTION REFUNDS

1. If a refund of tax increment (including any accrued statutory interest thereon) is potentially due from the Village's TIF Fund as the result of any tax objection, assessment challenge, filing for a property tax exemption under Section 200/15-86 of the Illinois Property Tax Code or appeal to the Illinois Property Tax Appeal Board (PTAB), issuance of a certificate of error or other such action, including any appeals therefrom, concerning the potential reduction of assessed value of the Property, the Village may at its sole discretion withhold the Developer's share of any such possible refund (including any accrued statutory interest thereon) from future reimbursements calculated to be paid to the Developer under this Agreement. Furthermore, the Developer is hereby obligated to provide written notice to the Village within five (5) business days of its filing any such objection, assessment challenge or formal appeal to the PTAB or other such action, including any appeals therefrom, that could potentially reduce the assessed value of the Property. Failure to provide such notice shall be considered a breach of this Agreement and shall be cause for the Village to deny payments hereunder to the Developer.

2. Any funds withheld by the Village under this *Section G* shall be deposited by it into a separate interest-bearing bank account. Upon final determination of the assessed value of the Property, the Village shall pay to the Developer the principal amount due under this Agreement as recalculated. The Village shall be entitled to retain any interest earned on the account as partial payment for the administration of the account due to the delay of the determination of the final evaluation and recalculation of the benefits due the Developer under this Agreement.
3. If it appears to the Village that it will be unable to recover the Developer's share of any such refund (including any accrued statutory interest thereon) from the remaining future reimbursements due the Developer under this Agreement, the Developer shall reimburse the Village for the Developer's remaining unpaid share of such refund within thirty (30) days upon receiving written demand of the same from the Village.
4. Notwithstanding anything contained in this Agreement to the contrary, the obligations contained in this *Section G* shall remain in effect for the term of the Agreement or the remaining life of the TIF District, if the Village passes an ordinance terminating the TIF District prior to the expiration of the Agreement. Furthermore, the obligations set forth in this *Section G* shall survive the expiration of the TIF District if a tax objection or other such action taken by the Developer is pending prior to the expiration of the TIF District and shall continue until final disposition of such action.

H. LIMITED OBLIGATION

The Village's obligation hereunder to pay Developer for TIF Eligible Project Costs and BDD Eligible Project Costs is a limited obligation to be paid solely from the TIF and BDD Special Tax Allocation Funds. 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.

I. VILLAGE PUBLIC PROJECTS

The Village intends to use part or all of the Village's share of the Real Estate Tax Increment and BDD Revenues for other public projects within the respective TIF and BDD Redevelopment Project Areas. The Village shall be eligible for reimbursement of the costs of doing so, as well as other eligible costs incurred by the Village for the TIF District and BDD.

J. 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, or its authorized designee, nor shall the Village be obligated to make direct payments to any other contractor, subcontractor, mechanic or materialman providing services or materials to Developer for the Project.

K. COOPERATION OF THE PARTIES

1. The Village and the Developer shall reasonably cooperate with each other when requested to do so concerning the development of the Project. This includes without limitation the Village

assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, subsidy or additional funding which may be available from other governmental sources as the result of the Developer's or Village's activities. This also includes without limitation 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.

2. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions, and certifications (and, in the Village's case, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions, and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions, and intent.
3. The Parties shall reasonably cooperate with each other in seeking from any or all appropriate governmental bodies all approvals (whether federal, state, county, or local) required or useful for the construction or improvement of property and facilities in and on the Property or for the provision of services to the Property, including, without limitation, wetland mitigation, gas, telephone, and electric utility services, roads, highways, and rights-of-way, water and sanitary sewage facilities, and storm water disposal facilities.

L. DEFAULT; CURE; REMEDIES

In the event of a default under this Redevelopment 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 for the Defaulting Party's breach of this Redevelopment 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 and BDD Revenues 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 Redevelopment Agreement, it shall not be deemed to be in default under this Redevelopment 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 nonmonetary covenant as and when it is required to under this Redevelopment 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 nonmonetary defaults which are not capable of being cured within such thirty (30) day period, a Defaulting Party shall not be deemed to be in default if it commences curing within such thirty (30) day period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

M. TIME; FORCE MAJEURE

For this Agreement, time is of the essence. The Developer agrees to complete the Project and secure a commercial tenant with a business open to the public on or before April 1, 2029; provided, however, the Developer and Village shall not be deemed in default with respect to any obligations of

this Agreement on its part to be performed if Developer or Village fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruptions of power, condemnation, riots, insurrections, war, fuel shortages, pandemic or other public health disaster if declared by a State or Federal official with legal authority for such declaration, Acts of God, acts caused directly or indirectly by the Village (or Village's agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or Village.

N. ASSIGNMENT

The rights and obligations of the Developer under this Agreement shall be fully assignable provided written notice is provided to the Village and consent is obtained from the Village prior to such assignment. The Developer shall give prompt notice to the Village of any such assignment, and the Village agrees to not unreasonably withhold approval of any such assignment, provided that the nature of the Project is not substantially changed, that the assignee is financially capable of fulfilling the obligations of the assignor, and that the terms and conditions of this **Section "N"** are complied with and Developer is not otherwise in default of this Agreement.

The Village President shall have the authority to execute and approve such assignment provided the conditions precedent to such assignment are present. No such assignment shall be deemed to release the Developer of its obligations to the Village under this Agreement unless the specific consent of the Village to release the Developer's obligations is first obtained in writing.

O. 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.

P. 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.

(The remainder of this page is intentionally left blank.)

Q. 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:

Village of Mt. Zion
% Village Clerk
1400 Mt. Zion Parkway
Mt. Zion, IL 62549
Ph: (217) 864-5424
Fax: (217) 864-5935

With copy to:
Jacob & Klein, Ltd.
The Economic Development Group, Ltd.
1701 Clearwater Avenue
Bloomington, IL 61704
Telephone: (309) 664-7777
Fax: (309) 664-7878

1918 Garage, LLC
% Ryan M. Beavers
6 Sundance Dr.
Mt. Zion, IL 62549
Telephone: (217) 412-7753

With copy to:

R. SUCCESSORS IN INTEREST

Subject to the provisions of *Paragraph "N"* above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

S. 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.

T. TERM OF THE AGREEMENT

Notwithstanding anything contained herein to the contrary, this Agreement shall terminate upon expiration of the Loan set forth in *Section C* above. The Agreement shall expire sooner if the Developer files for bankruptcy or otherwise becomes insolvent, the Property becomes the subject of foreclosure proceedings, or upon default by the Developer of this Agreement.

U. INDEMNIFICATION OF VILLAGE

All fixed works constructed or demolished by any public body or paid for wholly or in part out of public funds are subject to the Prevailing Wage Act (the "PWA Act" 820 ILCS 130/0.01 et. Seq.). However, it is the understanding of the Parties that the position of the Illinois Department of Labor is that "funds received from Tax Increment Financing do not qualify as "public funds." A private project that is funded by means of TIF financing ... is not covered by the Prevailing Wage Act unless it also receives funding from another source which does qualify as public funds.". This position of the Department of Labor is stated as an answer to a FAQ on its website.

The 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. In addition, the Developer agrees to indemnify and hold harmless the Village for any claim asserted against the Village arising from the Developer's Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to Developer hereunder. 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 the Village, including but not limited to the reasonable attorney fees of the Village. Notwithstanding anything to the contrary set forth herein, the Developer shall be entitled to select defense counsel of its choosing in connection with the defense of any such claim and/or action.

V. OTHER GENERAL PROVISIONS

1. **Titles of Paragraphs:** Titles of the several parts, paragraphs, sections, or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provisions hereof.
2. **Amendments:** The Parties hereto may amend this Agreement at any time by their mutual consent and any such amendment must be in writing and executed by the Parties.
3. **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.
4. **Counterparts:** This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all Parties had executed the same page.
5. **Choice of Law/Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois with venue lying in the Circuit Court of Macon County, Illinois.


(The remainder of this page is intentionally left blank.)

EACH PARTY ACKNOWLEDGES THAT, IN EXECUTING THIS AGREEMENT, SUCH PARTY HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL AND HAS READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT SHALL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION HEREOF AND THE SIGNATORIES OF THE PARTIES HEREBY WARRANT FULL AUTHORITY TO BOTH EXECUTE THIS AGREEMENT AND TO BIND THE ENTITY IN WHICH THEY ARE SIGNING ON BEHALF OF.

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

VILLAGE

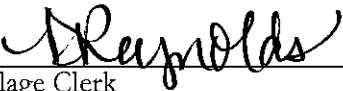
VILLAGE OF MT. ZION, ILLINOIS, an Illinois Municipal Corporation

BY: 

President

Date: 6/17/2024

ATTESTED BY:



Village Clerk

Date: 6/17/2024

DEVELOPER

1918 GARAGE, LLC, an Illinois Limited Liability ~~Corporation~~ *Company*

BY: 

Ryan M. Beavers, Manager

Date: 6/24/24

RYAN M. BEAVERS, individually

BY: 

Ryan M. Beavers

Date: 6/24/24

Attachments:

- Exhibit 1: Summary of Estimated Eligible Project Costs
- Exhibit 2: Promissory Note
- Exhibit 3: Private Project Request for Verification of TIF and BDD Eligible Project Costs

EXHIBIT 1

PROPERTY AND SUMMARY OF ESTIMATED ELIGIBLE PROJECT COSTS

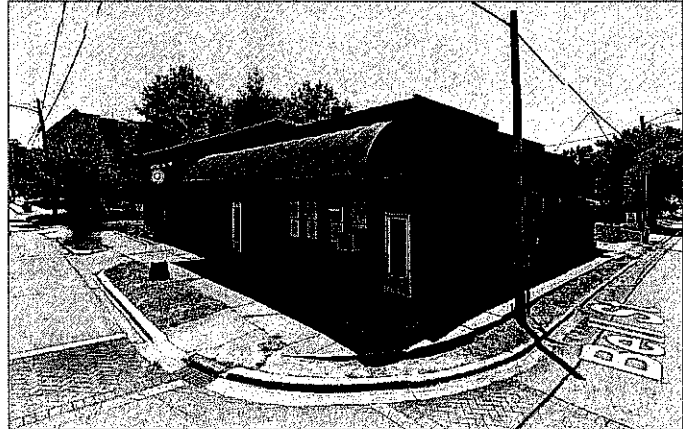
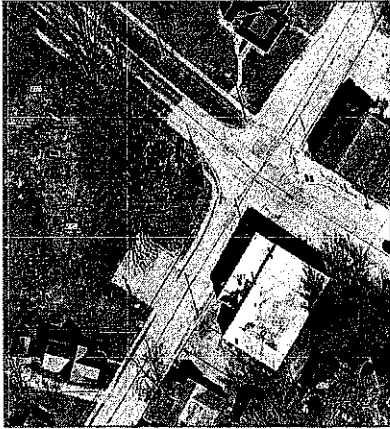
**1918 GARAGE, LLC AND RYAN M. BEAVERS
Mt. Zion Rt. 121 TIF District II and Mt. Zion BDD No. 1
Village of Mt. Zion, Macon County, Illinois**

Project Description: The Developer owns the Property and is proceeding with plans to renovate and rehabilitate the commercial building, including restoring the electrical, removing equipment and cleaning up the façade, to secure a commercial tenant.

Location: 445 and 455 W Main Street

PIN 12-17-04-454-001 and more particularly described as L 0003 B 00 PAUL S SMITH ADD TO MT ZION IRREG.

PIN 12-17-04-454-002 and more particularly described as PAUL S SMITHS ~ADD TO THE VILLAGE OF ~MT ZION L 2 EX S65 ~94BK2559/730 IRREG ~94BK2569/482 72,500.



Estimated TIF & BDD Eligible Project Costs:

| | |
|--|-------------------------|
| Rehabilitation and renovation costs incurred on existing structures | <u>\$230,509</u> |
| Total Estimated TIF & BDD Eligible Project Costs¹..... | <u>\$230,509</u> |

¹ **NOTE:** The total, cumulative reimbursement of new TIF real estate tax increment and BDD tax revenue generated by the Developer's Project for TIF and BDD eligible project costs payable by the Village to the Developer shall not exceed **\$16,000.00**, as set forth in this Redevelopment Agreement. The line items set forth in this *Exhibit "1"* are not intended to place a total limit on the described expenditures or intended to preclude payment of other TIF or BDD eligible redevelopment project costs in connection with the Developer's Project, provided the cumulative total amount of payments for all eligible redevelopment project costs, public and private, shall not exceed the total amount set forth herein. Adjustments may be made to the designated and anticipated line items within the total, either increasing or decreasing verified line-item costs for the Redevelopment Project.

EXHIBIT 2

PROMISSORY NOTE

FOR VALUE RECEIVED, 1918 Garage, LLC, an Illinois Limited Liability Company and **Ryan M. Beavers** (collectively the “Borrower”), promise to pay the Village of Mt. Zion, Macon County, Illinois, an Illinois Municipal Corporation (“Lender”) the principal sum of up to **Ten Thousand and 00/100 Dollars (\$10,000.00)** 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 and/or Business District Eligible Project Costs, specifically redevelopment project costs, incurred as a result of a Redevelopment Project located at 445 & 455 W Main Street, Mt. Zion, IL (PIN 12-17-04-454-001 and PIN 12-17-04-454-002 and the “Property”), within the Redevelopment Project Area and that is the subject of a Tax Increment Financing District and Business Development District Redevelopment Agreement by and between the Village of Mt. Zion and **1918 Garage, LLC and Ryan M. Beavers** (the “Redevelopment Agreement”) entered into the 17th day of June, 2024.

The term of this Promissory Note shall commence on the date the reimbursements provided for in **Section “C(1)”** of the Redevelopment Agreement are disbursed to the Borrower and end on the date that is **five (5) years** from the date of such disbursement.

Provided that the Borrower is at all times in compliance with the Redevelopment Agreement and this Promissory Note, One-Fifth (1/5th) of the principal balance of up to \$10,000.00, 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 the date that is one (1) year from the date of the disbursement set forth in **Section “C(1)”** of the Redevelopment Agreement and continuing on said date of 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:

- a. Upon completion of the Project, the Developer fails to maintain a valid lease for a commercial tenant for a period of sixty (60) days.
- b. The Developer fails to annually provide verification of the payment of real estate taxes for the Property.
- c. The Developer fails to provide verification of TIF and BDD Eligible Project Costs in amounts sufficient to satisfy **Sections “C(1), C(2)”** and **Section “E”** of the Redevelopment Agreement.
- d. The Developer files for bankruptcy or otherwise becomes insolvent.
- e. The property becomes the subject of foreclosure proceedings.
- f. The Developer sells, transfers or vacates the Property at any point prior to the expiration of this Agreement.

- g. The Developer fails to carry adequate insurance on the Property to cover the replacement cost of the completed Project.
- h. As signatories to this Agreement and the Note, **1918 Garage, LLC and Ryan M. Beavers** shall be guarantors for the Note and shall be jointly and severally liable in the event of a default thereof by the Developer.

In the event the Borrower is in Default under the terms of this Promissory Note or the Redevelopment Agreement and does not cure said default or breach on or before the thirtieth (30th) day 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 the Village, including reasonable attorney fees and court costs, whether judgment is rendered or not.

As signatories to this Note, **1918 Garage, LLC and Ryan M. Beavers** jointly and severally guarantee payment of this Note in the event the Borrower is in default hereof.

This Promissory Note has been entered into and shall be performed in the Village of Mt. Zion, Macon County, 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 Macon County, Illinois.

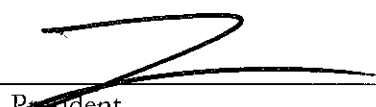
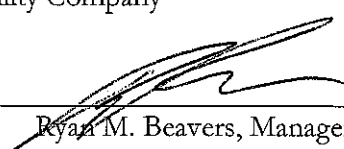
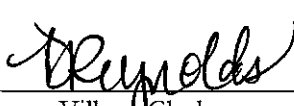
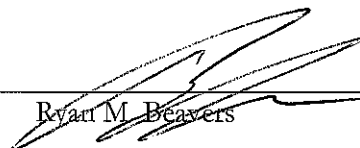
| <u>LENDER</u> | <u>BORROWER</u> |
|---|---|
| <p>VILLAGE OF MT. ZION, ILLINOIS, an Illinois Municipal Corporation</p> | <p>1918 GARAGE, LLC, an Illinois Limited Liability Company</p> |
| <p>BY:  _____ President</p> <p style="text-align: right;">Date: <u>6-27-24</u></p> | <p>BY:  _____ Ryan M. Beavers, Manager</p> <p style="text-align: right;">Date: <u>7/9/2024</u></p> |
| <p>ATTESTED BY:</p> <p> _____ Village Clerk</p> <p style="text-align: right;">Date: <u>6/27/2024</u></p> | <p>RYAN M. BEAVERS, individually</p> <p>BY:  _____ Ryan M. Beavers</p> <p style="text-align: right;">Date: <u>7/9/2024</u></p> |

EXHIBIT 3

**PRIVATE PROJECT
REQUEST FOR VERIFICATION OF TIF AND BDD ELIGIBLE PROJECT COSTS
BY 1918 GARAGE, LLC AND RYAN M. BEAVERS**

Date: _____

Attention: Village of Mt. Zion, IL TIF District & BDD Administrator

Re: Redevelopment Agreement dated **June 17, 2024** by and between the Village of Mt. Zion and 1918 Garage, LLC and Ryan M. Beavers (the "Developer").

The Village of Mt. Zion is hereby requested to disburse funds from the TIF District Special Tax Allocation Fund or the BDD Special Tax Allocation Fund pursuant to the above referenced Redevelopment Agreement in the following amount(s) to the Developer and for the purpose(s) set forth in this Request for Verification of the Developer's TIF and BDD Eligible Project Costs. The terms used herein shall have the same meanings as those terms in the Redevelopment Agreement.

1. Request No. _____
2. Reimbursement payable to: **1918 Garage, LLC**
3. Amounts requested to be reimbursed (*attach additional pages, if necessary*):

| Description of Developer's Eligible Project Cost | Amount |
|--|--------|
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| | |
| TOTAL: | |

4. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Developer for TIF or BDD Eligible Project Costs for the Project detailed in *Exhibit "1"* of the Redevelopment Agreement.

5. The undersigned hereby certifies and swears under oath that the following statements are true and correct:
- a. the amounts included in (3) above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the Village Codes; and
 - b. the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for Developer's TIF and BDD Eligible Project Costs; and
 - c. the expenditures for which amounts are requested represent proper redevelopment project costs as identified in the "Limitation of Incentives to Developer" described in **Section "D"** of the Redevelopment Agreement: have not been included in any previous Request for Reimbursement; have been properly recorded on the Developer's books; are set forth with invoices attached for all sums for which reimbursement is requested; and proof of payment of the invoices; and
 - d. the amounts requested are not greater than those necessary to meet obligations due and payable or to reimburse the Developer for its funds actually advanced for redevelopment project costs; and
 - e. the Developer is not in default under the Redevelopment Agreement, and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.
 - f. Any violation of this oath shall constitute a default of the Redevelopment Agreement and shall be cause for the Village to unilaterally terminate the Redevelopment Agreement.
6. Attached hereto is a copy of **Exhibit "1"** of the Redevelopment Agreement, together with copies of **invoices and proof of payment** of such invoices, including cancelled checks and/or any lien waivers (to the extent applicable) relating to all items for which reimbursement is being requested.

BY: _____ (Developer)

Title: _____

REVIEWED BY MT. ZION TIF DISTRICT/BDD ADMINISTRATOR

BY: _____

Title: _____ Date: _____

APPROVED BY VILLAGE OF MT. ZION, ILLINOIS

BY: _____

Title: _____ Date: _____