FY 2014
ANNUAL TAX INCREMENT FINANCE REPORT

STATE OF ILLINOIS
COMPTROLLER
JUDY BAAR TOPINKA

Name of Municipality:	LaSalle	Reporting Fiscal Year:	**2014**
County:	LaSalle	Fiscal Year End:	4/30/2014
Unit Code:	050/035/30		

TIF Administrator Contact Information

First Name:	Thomas	Last Name:	Jacob		
Address:	1701 Clearwater Avenue	Title:	Administrator		
Telephone:	309-664-7777	City:	Bloomington	Zip:	61704
Mobile		E-mail	kjacob@tifillinois.com		
Mobile Provider		Best way to contact	__X__ Email	_____ Phone	
			_____ Mobile	_____ Mail	

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of LaSalle

is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

Written signature of TIF Administator — Date: Dec 19 2014

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

FILL OUT ONE FOR EACH TIF DISTICT

Name of Redevelopment Project Area	Date Designated	Date Terminated
LaSalle TIF District V	4/10/2007	

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

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
FY 2014

Name of Redevelopment Project Area:	LaSalle TIF District V
Primary Use of Redevelopment Project Area*:	Combination/Mixed
If "Combination/Mixed" List Component Types:	Commercial & Residential
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act __x___ Industrial Jobs Recovery Law _____	

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

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

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TIF NAME: LaSalle TIF District V

Fund Balance at Beginning of Reporting Period	$ 179

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	$ 110,708	$ 554,497	84%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	$ 46	$ 441	0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources	$ 55,000	$ 105,000	16%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

***must be completed where 'Reporting Year' is populated**

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period	$ 165,754		
Cumulative Total Revenues/Cash Receipts		$ 659,938	100%
Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)	$ 151,949		
Distribution of Surplus			
Total Expenditures/Disbursements	$ 151,949		
NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS	$ 13,805		
FUND BALANCE, END OF REPORTING PERIOD*	$ 13,984		

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

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3)	$ (92,744,562)

SECTION 3.2 A- (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

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TIF NAME: LaSalle TIF District V

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

(by category of permissible redevelopment cost, amounts expended during reporting period)

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

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Costs of studies, administration and professional services—Subsections (q)(1) and (o) (1)		
Professional and costs	11,025	
		$ 11,025
2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)		
		$ -
3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)		
		$ -
4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings. Subsection (q)(3) and (o)(4)		
		$ -
5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)		
Sidewalk Improvements	103,729	
Redevelopment Agreements	6,713	
		$ 110,442
6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY		
		$ -

SECTION 3.2 A		
PAGE 2		
7. Cost of job training and retraining, including "welfare to work" programs Subsection (q)(5), (o)(7) and (o)(12)		
		$ -
8. Financing costs. Subsection (q) (6) and (o)(8)		
		$ -
9. Approved capital costs. Subsection (q)(7) and (o)(9)		
LaSalle Grade School	11,106	
Illinois Valley Community College	4,222	
LaSalle Peru High School	9,350	
LaSalle County	5,804	
		$ 30,482
10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
11. Relocation costs. Subsection (q)(8) and (o)(10)		
		$ -
12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)		
		$ -
13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)		
		$ -

SECTION 3.2 A		
PAGE 3		
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		$ -

TOTAL ITEMIZED EXPENDITURES		$ 151,949

Section 3.2 B

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TIF NAME: LaSalle TIF District V

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

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

Name	Service	Amount
LaSalle Grade School	Intergovernmental	$ 11,106.00
Cinium Risk Management	Sidewalk Improvements	$ 101,728.00

SECTION 3.3 - (65 ILCS 5/11-74.4-5 (d) (5) 65 ILCS 11-74.6-22 (d) (5))

Breakdown of the Balance In the Special Tax Allocation Fund At the End of the Reporting Period

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TIF NAME: LaSalle TIF District V

FUND BALANCE, END OF REPORTING PERIOD	$ 13,984

1. Description of Debt Obligations	**Amount of Original Issuance**	**Amount Designated**
N/A		
Total Amount Designated for Obligations	$ -	$ -

2. Description of Project Costs to be Paid		
Public Projects		$ 36,372,629
Private Projects		$ 46,021,647
Administrative Projects		$ 522,350
Capital Costs		$ 9,841,920

Total Amount Designated for Project Costs	$ 92,758,546
TOTAL AMOUNT DESIGNATED	$ 92,758,546
SURPLUS*/(DEFICIT)	$ (92,744,562)

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

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

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TIF NAME: LaSalle TIF District V

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

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

Property Acquired by the Municipality Within the Redevelopment Project Area

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

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

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

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

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)
PAGE 1

FY 2014

TIF NAME: LaSalle TIF District V

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED ONLY IF PROJECTS ARE LISTED ON THESE PAGES

Check here if **NO** projects were undertaken by the Municipality Within the Redevelopment Project Area: ___			
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*. _5_			
TOTAL:	**11/1/99 to Date**	**Estimated Investment for Subsequent Fiscal Year**	**Total Estimated to Complete Project**
Private Investment Undertaken (See Instructions)	$ -	$ -	$ -
Public Investment Undertaken	$ 33,353	$ -	$ 1,434,884
Ratio of Private/Public Investment	0		0

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE			
Gary & Julie Hammers			
Private Investment Undertaken (See Instructions)			$ -
Public Investment Undertaken	$ 9,938		$ 200,000
Ratio of Private/Public Investment	0		0

Project 2:			
Canal Corridor Association			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	$ 8,734		$ 533,996
Ratio of Private/Public Investment	0		0

Project 3:			
Henry Donald LaSalle Subway, Inc.			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	$ 14,681		$ 233,946
Ratio of Private/Public Investment	0		0

Project 4:			
Thomas Arnold			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			$ 401,357
Ratio of Private/Public Investment	0		0

Project 5:			
Buckman Iron & Metal Co, Inc.			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			$ 65,585
Ratio of Private/Public Investment	0		0

Project 6:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. Even though optional MUST be included as part of complete TIF report

SECTION 6

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TIF NAME: LaSalle TIF District V

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

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
2007	$ 10,714,160	$ 10,657,126

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

_____ The overlapping taxing districts did not receive a surplus.

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

SECTION 7

Provide information about job creation and retention

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

SECTION 8

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

Optional Documents	Enclosed	
Legal description of redevelopment project area		
Map of District		

ATTACHMENT "B"

City of LaSalle

La Salle County, Illinois

City Offices – 745 Second Street – La Salle, Illinois 61301-2599

Bus: 815-223-3755 Fax: 815-223-9508

www.lasalle-il.gov

Jeff Grove
Mayor
Cell: 815-488-4300
jgrove@lasalle-il.gov

CERTIFICATION OF

CHIEF EXECUTIVE OFFICER

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

Signed the 24th day of November, 2014.

Jeff Grove

City of LaSalle, Illinois

JACOB & KLEIN LTD

Attorneys at Law

ATTACHMENT "C"

December 19, 2014

Mr. Jeff Grove
City of LaSalle
745 Second Street
LaSalle, Illinois 61301

RE: City of LaSalle
Tax Increment Financing District V
FY 2014

Dear Mayor and Council Members:

As Special Attorney for the City of LaSalle, Illinois, it is my opinion, based upon the information provided to our office that the City has complied with the requirements for the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq. This opinion is based upon the review of information prepared, in part, by others and provided to this office. To the best of our knowledge, such information is accurate but we have not independently verified all of such information. This opinion is prepared for and intended for the use of the City Council, its officers and management, and for the Comptroller of the State of Illinois. It is not intended for and should not be used or relied upon by others.

Sincerely,

Thomas N. Jacob

Thomas N. Jacob
Nicolas P. Nelson

1701 Clearwater Ave. | Bloomington, IL 61704
ph. 309.664.7777 | fax 309.664.7878

Herbert J. Klein

925 Shooting Park Rd., Suite A | Peru, IL 61354
ph. 815.223.7550 | fax 815.223.7577

www.jacobkleinlaw.com

ATTACHMENT D

LA SALLE DOWNTOWN TIF DISTRICT V
Fiscal Year 2014
Analysis of Annual Expenditures

	Year ended April 30, 2014	TOTAL EXPENDITURES
	Expenditure	2006-2014
I. Public Projects:		
Land Acquisition/Demolition	$ 0	$ 0
Street Repairs	$ 0	$ 191,186
Streetscape Improvements	$ 103,729	$ 216,674
Retaining Walls/Walkways	$ 0	$ 12,511
Building Rehabilition	$ 0	$ 0
Municipal Buildings	$ 0	$ 0
Storm Sewer	$ 0	$ 0
Sanitary Sewer	$ 0	$ 0
Water Main Repairs	$ 0	$ 0
Water/Sewer Extension	$ 0	$ 0
Wastewater Plant	$ 0	$ 0
Engineering/Architectural	$ 0	$ 0
Landscaping	$ 0	$ 0
Canal Properties	$ 0	$ 0
II. Private Projects:		
Hotel Renovation	$ 0	$ 0
Commercial Renovation	$ 0	$ 0
a. Canal Corridor Association	$ 1,856	$ 8,734
Commercial/Residential Rehab.	$ 0	$ 0
a. Thomas Arnold	$ 0	$ 0
Commercial/Residential Apartments	$ 0	$ 0
a. Gary & Julie Hammers	$ 1,661	$ 9,938
Commercial/Retail Development I	$ 0	$ 0
a. Henry Donald LaSalle Subway, Inc.	$ 3,196	$ 14,681
b. Buckman Iron & Metal Co, Inc.	$ 0	$ 0
Commercial/Retail Development II	$ 0	$ 0
Marina Project I	$ 0	$ 0
Marina Project II	$ 0	$ 0
TOTAL	$ 110,442	$ 453,724
III. Taxing District's Capital Costs:		
LaSalle Grade School District #122	$ 11,106	$ 53,679
LP High School District #120	$ 9,350	$ 51,066
Illinois Valley Community College	$ 4,222	$ 23,038
LaSalle County	$ 5,804	$ 30,297
TOTAL	$ 30,482	$ 158,080
IV. Administrative & Professional Services		
Professional Services	$ 11,025	$ 34,107
Administrative	$ 0	$ 43
TOTAL	$ 11,025	$ 34,150
TOTAL EXPENDITURES	**$ 151,949**	**$ 645,954**

ATTACHMENT "E"

TAX INCREMENT FINANCING DISTRICT REDEVELOPMENT AGREEMENT

by and between

CITY OF LA SALLE, LA SALLE COUNTY, ILLINOIS

and

BUCKMAN IRON & METAL CO., INC.

LA SALLE DOWNTOWN
TAX INCREMENT FINANCING DISTRICT V

DECEMBER 2013

REDEVELOPMENT AGREEMENT
CITY OF LA SALLE
&
BUCKMAN IRON & METAL CO., INC.

LA SALLE DOWNTOWN TIF DISTRICT V

THIS AGREEMENT (including Exhibits) is entered into this 3rd day of December, 2013, by the City of LaSalle (the "City"), an Illinois Municipal Corporation, LaSalle County, and Buckman Iron & Metal Co., Inc., an Illinois Corporation (the "Developer").

PREAMBLE

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

WHEREAS, pursuant to the Expenses for Economic Development Act, 65 ILCS 5/8-1-2.5, a municipality may 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 "Act"), the City has the authority to provide incentives to owners or prospective owners of real property to redevelop, rehabilitate and/or upgrade such property by reimbursing the owner for certain costs from resulting increases in real estate tax revenues ("Tax Increment") or from other City revenues; and

WHEREAS, on April 10, 2007, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or obsolete or a combination thereof, the City approved a Redevelopment Plan and Projects, designated a Redevelopment Project Area and adopted Tax Increment Financing as provided under the Act for LaSalle Downtown TIF District V (the "TIF District"); and

WHEREAS, one such property in the Redevelopment Project Area in need of development is owned by the Developer and located at 153 Canal Street, LaSalle, Illinois (PIN No. 18-15-329-013) (the "Property"); and

WHEREAS, the Developer is proceeding with plans to construct a new storage building (the "Project") on the Property, based on the availability of TIF incentives offered by the City; and

WHEREAS, it is the intent of the City to encourage economic development which will increase the real estate base of the City, which increased taxes will be used, in part, to finance incentives to assist development within the TIF District; and

WHEREAS, the Developer's proposed Project is consistent with the land uses of the City as adopted; and

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

WHEREAS, the Developer requested that incentives for the development be provided by the City from incremental increases in real estate taxes of the City generated from its Project and the City agreed to such incentives; and

WHEREAS, the City determined that this Project required the incentives requested as set forth herein and that said Project will, as a part of the Plan, promote the health, safety and welfare of the City 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 City; and

WHEREAS, the City and the Developer ("Parties") have agreed to segregate within the Tax Increment Redevelopment Fund: **Fifty percent (50%)** of the "net" incremental increases in real estate tax revenues derived from the Developer's Project for the current remaining life of the TIF District (December 31, 2030 payable by December 31, 2031), not to exceed **$65,585** (see **Exhibit 1**), whichever occurs first. "Net increment" is defined as real estate tax increment derived from the Developer's Project as previously described after payment of a proportionate share of administrative fees and costs and payments pursuant to Intergovernmental Agreements; and

WHEREAS, in consideration of the execution of this Agreement, the Developer is proceeding with the Project as described herein; and

WHEREAS, the City is entering into this Agreement having encouraged and induced the Developer to develop a new storage building on said Property.

AGREEMENTS

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

A. PRELIMINARY STATEMENTS

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement.

2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.

3. The City is extending incentives for this project based upon the Developer's completion of the Project as set forth in this Agreement.

4. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

B. ADOPTION OF TAX INCREMENT FINANCING

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

C. INCENTIVES

In consideration for the Developer purchasing the Property and completing its Project substantially as set forth herein, the City agreed to extend to Developer the following incentives to assist Developer's Project:

1. **Fifty percent (50%)** of the "net" incremental increases in real estate taxes generated by the Developer's Project during the current remaining life of the District, not to exceed **$65,585** (see **Exhibit 1**). The current remaining life of the TIF District is December 31, 2030, with final

payment by December 31, 2031. These funds are to be allocated to and when collected shall be paid to the City Treasurer for deposit in a separate account within the Special Tax Allocation Fund for this TIF District designated as the **"Buckman Iron & Metal Co., Inc. Special Account"** (the "Special Account"). All monies deposited to this Special Account shall be used exclusively by the City for the purposes set forth in this Agreement.

2. "Net increment" is defined as increases in annual real estate tax increment derived from the Developer's Project as previously described after payment of a proportionate amount of administrative fees and costs and payments pursuant to Intergovernmental Agreements, if applicable.

D. LIMITATION OF INCENTIVES TO DEVELOPER

1. The Eligible Project Costs of the Developer shall not exceed a total of **$65,585**.

2. The Developer shall be reimbursed by the City for Eligible Project Costs permitted by the Act (subject to a limitation of $65,585), excluding land acquisition costs, from the real estate tax increment generated by this Project located on the Property described herein and deposited into the Special Account, but only for the term of the Plan and only from the Property included in this Project and currently owned by the Developer at that location and only pursuant to the terms of this Agreement.

3. It is not contemplated nor is the City obligated to use any of its proportionate share of the monies for any of Developer's Eligible Project Costs but, rather, the City shall use its sums for any purpose under the Act as it may in its sole discretion determine.

E. PAYMENT OF ELIGIBLE PROJECT COSTS

1. Payment to the Developer for Eligible Project Costs as set forth by the Act, shall be made by a Requisition for Payment of Private Development Redevelopment Costs (Requisition) submitted from time to time by Developer to the City's TIF Administrator Jacob & Klein, Ltd. and The Economic Development Group, Ltd. (collectively the Administrator) and subject to his approval of the costs and to the availability of funds in the Special Account.

2. All Requisitions must be accompanied by a master list of itemized costs incurred by the Developer for the Project which relate to those categories of estimated TIF Eligible Project Costs

provided in **Exhibit 1**; and such master list is to be supported by all corresponding verified receipts, invoices, bills or statements of suppliers, contractors, or professionals together with Mechanic's Lien Waivers, if applicable, cancelled checks or other proof of payment as required by the City. THE DEVELOPER MUST VERIFY SUFFICIENT TIF ELIGIBLE PROJECT COSTS NO LATER THAN MARCH 31ST OF EACH YEAR FOR City TO EXTEND INCENTIVES PROVIDED FOR IN *SECTION C* RELATING TO TAXES RECEIVED BY THE CITY IN THE PRIOR YEAR.

3. The Developer shall use such sums as reimbursement for Eligible Project Costs only to the extent permitted by law and the Act and may allocate such funds for any purpose for the terms of this Agreement or the term of the TIF District, whichever is 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 disallowance will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be required and the same procedures set forth herein shall apply to such re-submittals.

5. All sums approved shall then be paid from the Special Account to the Developer or to others for their benefit as soon as sums are available. Payment shall be made within thirty (30) days after approval if funds are currently available in the Special Account, and if funds are not then available, payment shall be made within thirty (30) days after funds become available.

6. To the extent the Developer incurs Eligible Project Costs in any years that exceed the available funds in the Special Account that year, the excess Eligible Project Costs shall carry over into future years until fully paid.

7. The Parties acknowledged that the determination of Eligible Project Costs, and, therefore, qualification for reimbursement hereunder are subject to changes or interpretation made by amendments to the Act, administrative rules or judicial interpretation during the term of this Agreement. The City has no obligation to the Developer to attempt to modify those decisions but will assist the Developer in every respect as to obtaining approval of Eligible Project Costs.

8. Eligible Project Costs shall be broadly defined in the Redevelopment Plan to include all costs defined in the Act as Redevelopment Project Costs.

9. The Developer may submit for prior approval of estimated Eligible Project Costs by the City before they are incurred subject to later confirmation by actual bills.

F. VERIFICATION OF TAX INCREMENT

1. It shall be the sole responsibility of the Developer to provide to the City as requested the following:

   A. Copies of all PAID real estate tax bills, annually, for the Property included in this Project.

2. The failure of the Developer to provide any information required herein, including proper verification of Eligible Project Costs, after notice from the City, 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 City to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

G. LIMITED OBLIGATION

The City's obligation hereunder to pay the Developer for Eligible Project Costs is a limited obligation to be paid solely from the Special Account. Said obligation does not now and shall never constitute an indebtedness of the City 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 City or a charge or lien against the City's general credit or taxing power.

H. CITY PUBLIC PROJECTS

The City intends to use part or all of its share of the real estate increment generated from the Developer's Project for other public projects within the TIF District. The City shall be eligible for reimbursement of the cost of doing so, as well as other Eligible Project Costs incurred by the City in the TIF District.

I. LIMITED LIABILITY OF CITY TO OTHERS FOR DEVELOPER'S EXPENSES

There shall be no obligation by the City to make any payments to any person other than Developer, nor

shall the City be obligated to make direct payments to any other contractor, subcontractor, mechanic or materialman providing services or materials to Developer for the Project.

J. COOPERATION OF THE PARTIES

The City and the Developer agree to cooperate fully with each other when requested to do so concerning the development of the Developer's Project. This includes without limitation the City assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, or subsidy which may be available as the result of the Developer's or City's activities. This also includes without limitation the Developer assisting or sponsoring the City, or agreeing to jointly apply with the City, for any grant, award or subsidy which may be available as the result of the City's or Developer's activities.

K. 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 Parties 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 City hereunder shall be limited to the real estate tax increment payable to the Developer under the terms of this Agreement.

In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this 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, it 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.

L. TIME; FORCE MAJEURE

For this Agreement, time is of the essence; provided however, Developer and City shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if Developer or City fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, weather conditions wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by the City (or City's agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or City.

M. ASSIGNMENT

The rights and obligations of the Developer under this Agreement shall be fully assignable provided advance written notice to the City and the City's prior consent is obtained. No such assignment shall be deemed to release the assignor of its obligations to the City under this Agreement unless the consent of the City to the release of the assignor's obligations is first obtained. Consent shall not be unreasonably withheld provided that the nature of the Project is not substantially changed.

N. PREPAYMENTS

Should the annual incremental tax revenue generated by the Project be sufficient to pay all eligible project costs to the expiration of the term of the Agreement, City may, in its sole discretion, elect to pay all then remaining payments in a single lump sum payment.

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.

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:

TO CITY:

City Clerk, City of LaSalle
745 Second St.
LaSalle, IL 61301
Telephone: (815) 223-3755
Fax: (815) 223-9508

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

TO DEVELOPER:

Arnold Buckman, President
Buckman Iron & Metal Co., Inc.
153 Canal Street
LaSalle, IL 61301
(815) 223-0322

R. SUCCESSORS IN INTEREST

Subject to the provisions of paragraph M, 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. INDEMNIFICATION OF CITY

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

U. 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.

V. TERM OF THE AGREEMENT

This Agreement shall expire upon the current expiration of the TIF District adopted by the City (December 31, 2031) or sooner if the Developer has received all incentives included herein.

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

CITY	**DEVELOPER**
LaSalle, Illinois, Municipal Corporation	**Buckman Iron & Metal Co., Inc.**
BY: Jeff Stone	BY: Arnold Buckman
Mayor, City of LaSalle	
ATTEST: Carrie L Brown	Title: President
City Clerk	

ATTACHMENT "E"

TAX INCREMENT FINANCING DISTRICT REDEVELOPMENT AGREEMENT

by and between

CITY OF LA SALLE, LA SALLE COUNTY, ILLINOIS

and

THOMAS ARNOLD

LA SALLE TAX INCREMENT FINANCING DISTRICT V

MAY 2013

REDEVELOPMENT AGREEMENT
CITY OF LA SALLE
&
THOMAS ARNOLD

LA SALLE TIF DISTRICT V

THIS AGREEMENT (including Exhibits) is entered into this 7th day of May, 2013, by the City of LaSalle (the "City"), an Illinois Municipal Corporation, LaSalle County, and Thomas Arnold (the "Developer").

PREAMBLE

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

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

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et seq.*, as amended (the "Act"), the City has the authority to provide incentives to owners or prospective owners of real property to redevelop, rehabilitate and/or upgrade such property by reimbursing the owner for certain costs from resulting increases in real estate tax revenues ("Tax Increment") or from other City revenues; and

WHEREAS, on April 10, 2007, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or obsolete or a combination thereof, the City approved a Tax Increment Redevelopment Plan and Projects, designated a Redevelopment Area and adopted Tax Increment Financing as provided under the Act (the "TIF District"); and

WHEREAS, one such property in the Redevelopment Project Area in need of development is owned by the Developer and located at 753 and 757 First Street, LaSalle, Illinois and 111, 119, 121, and 125 Joliet Street, LaSalle, Illinois (parcel identification no. 18-15-414-031) (the "Property"); and

WHEREAS, the Developer is proceeding with plans to renovate an existing building for the development of a mixed use condominium project (the "Project"), based on the availability of TIF incentives offered by the City; and

WHEREAS, it is the intent of the City to encourage economic development which will increase the real estate base of the City, which increased taxes will be used, in part, to finance incentives to assist development within the TIF District; and

WHEREAS, the Developer's proposed Project is consistent with the land uses of the City as adopted; and

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

WHEREAS, the Developer requested that incentives for the development be provided by the City from incremental increases in real estate taxes of the City generated from its Project and the City agreed to such incentives; and

WHEREAS, the City determined that this Project required the incentives requested as set forth herein and that said Project will, as a part of the Plan, promote the health, safety and welfare of the City 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 City; and

WHEREAS, the City and the Developer ("Parties") have agreed to segregate within the Tax Increment Redevelopment Fund: **Fifty percent (50%)** of the "net" incremental increases in real estate tax revenues derived from the Developer's Project for the remaining life of the TIF District, not to exceed **$401,357.00** (see **Exhibit 1**), whichever occurs first. "Net increment" is defined as real estate tax increment derived from the Developer's Project as previously described after payment of a proportionate share of administrative fees and costs and payments pursuant to Intergovernmental Agreements; and

WHEREAS, in consideration of the execution of this Agreement, the Developer is proceeding with the Project as described herein; and

WHEREAS, the City is entering into this Agreement having encouraged and induced the Developer to develop a mixed use condominium project on said Property.

AGREEMENTS

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

A. PRELIMINARY STATEMENTS

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement.

2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.

3. The City is extending incentives for this project based upon the Developer's completion of the Project as set forth in this Agreement.

4. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

B. ADOPTION OF TAX INCREMENT FINANCING

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

C. INCENTIVES

In consideration for the Developer purchasing the Property and completing its Project substantially as set forth herein, the City agreed to extend to Developer the following incentives to assist Developer's Project:

1. **Fifty percent (50%)** of the "net" incremental increases in real estate taxes generated over the base year amount by the Developer's Project during the remaining life of the District, not to exceed **$401,357.00** (see **Exhibit 1**). These funds are to be allocated to and when collected shall be paid to the City Treasurer for deposit in a separate account within the Special Tax Allocation Fund for this TIF District designated as the **"Thomas Arnold Special Account"** (the "Special Account"). All monies deposited to this Special Account shall be used exclusively by the City for the purposes set forth in this Agreement.

2. "Net increment" is defined as increases in annual real estate tax increment derived from the Developer's Project as previously described after payment of a proportionate amount of administrative fees and costs and payments pursuant to Intergovernmental Agreements, if applicable.

D. LIMITATION OF INCENTIVES TO DEVELOPER

1. The Eligible Project Costs of the Developer shall not exceed **$401,357.00** total.

2. The Developer shall be reimbursed by the City for Eligible Project Costs permitted by the Act (subject to a limitation of $401,357.00), excluding land acquisition costs from the real estate tax increment generated by this Project located on the Property described herein and deposited into the Special Account, but only for the term of the Plan and only from the Property included in this Project and currently owned by the Developer at that location and only pursuant to the terms of this Agreement.

3. It is not contemplated nor is the City obligated to use any of its proportionate share of the monies for any of Developer's Eligible Project Costs but, rather, the City shall use its sums for any purpose under the Act as it may in its sole discretion determine.

E. PAYMENT OF ELIGIBLE PROJECT COSTS

1. Payment to the Developer for Eligible Project Costs as set forth by the Act, shall be made by a Requisition for Payment of Private Development Redevelopment Costs (Requisition) submitted from time to time by Developer to the City's TIF Administrator Jacob & Klein, Ltd. and The Economic Development Group, Ltd. (collectively the Administrator) and subject to his approval of the costs and to the availability of funds in the Special Account.

2. All Requisitions must be accompanied by a master list of itemized costs incurred by the Developer for the Project which relate to those categories of estimated TIF Eligible Project Costs provided in **Exhibit 1**; and such master list is to be supported by all corresponding verified receipts, invoices, bills or statements of suppliers, contractors, or professionals together with Mechanic's Lien Waivers, if applicable, cancelled checks or other proof of payment as required by the City. THE DEVELOPER MUST VERIFY SUFFICIENT TIF ELIGIBLE PROJECT COSTS NO LATER THAN MARCH 31ST OF EACH YEAR FOR City TO EXTEND INCENTIVES PROVIDED FOR IN *SECTION C* RELATING TO TAXES RECEIVED BY THE CITY IN THE PRIOR YEAR.

3. The Developer shall use such sums as reimbursement for Eligible Project Costs only to the extent permitted by law and the Act and may allocate such funds for any purpose for the terms of this Agreement or the term of the TIF District, whichever is 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 disallowance will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be required and the same procedures set forth herein shall apply to such re-submittals.

5. All sums approved shall then be paid from the Special Account to the Developer or to others for their benefit as soon as sums are available. Payment shall be made within thirty (30) days after approval if funds are currently available in the Special Account, and if funds are not then available, payment shall be made within thirty (30) days after funds become available.

6. To the extent the Developer incurs Eligible Project Costs in any years that exceed the available funds in the Special Account that year, the excess Eligible Project Costs shall carry over into future years until fully paid.

7. The Parties acknowledged that the determination of Eligible Project Costs, and, therefore, qualification for reimbursement hereunder are subject to changes or interpretation made by amendments to the Act, administrative rules or judicial interpretation during the term of this Agreement. The City has no obligation to the Developer to attempt to modify those decisions

but will assist the Developer in every respect as to obtaining approval of Eligible Project Costs.

8. Eligible Project Costs shall be broadly defined in the Redevelopment Plan to include all costs defined in the Act as Redevelopment Project Costs.

9. The Developer may submit for prior approval of estimated Eligible Project Costs by the City before they are incurred subject to later confirmation by actual bills.

F. VERIFICATION OF TAX INCREMENT

1. It shall be the sole responsibility of the Developer to provide to the City as requested the following:

   A. Copies of all PAID real estate tax bills, annually, for the Property included in this Project.

2. The failure of the Developer to provide any information required herein, including proper verification of Eligible Project Costs, after notice from the City, 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 City to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

G. LIMITED OBLIGATION

The City's obligation hereunder to pay the Developer for Eligible Project Costs is a limited obligation to be paid solely from the Special Account. Said obligation does not now and shall never constitute an indebtedness of the City 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 City or a charge or lien against the City's general credit or taxing power.

H. CITY PUBLIC PROJECTS

The City intends to use part or all of its share of the real estate increment generated from the Developer's Project for other public projects within the TIF District. The City shall be eligible for reimbursement of the cost of doing so, as well as other Eligible Project Costs incurred by the City in

the TIF District.

I. LIMITED LIABILITY OF CITY TO OTHERS FOR DEVELOPER'S EXPENSES

There shall be no obligation by the City to make any payments to any person other than Developer, nor shall the City be obligated to make direct payments to any other contractor, subcontractor, mechanic or materialman providing services or materials to Developer for the Project.

J. COOPERATION OF THE PARTIES

The City and the Developer agree to cooperate fully with each other when requested to do so concerning the development of the Developer's Project. This includes without limitation the City assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, or subsidy which may be available as the result of the Developer's or City's activities. This also includes without limitation the Developer assisting or sponsoring the City, or agreeing to jointly apply with the City, for any grant, award or subsidy which may be available as the result of the City's or Developer's activities.

K. 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 Parties 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 City hereunder shall be limited to the real estate tax increment payable to the Developer under the terms of this Agreement.

In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this 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, it 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.

L. TIME; FORCE MAJEURE

For this Agreement, time is of the essence; provided however, Developer and City shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if Developer or City fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, weather conditions wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by the City (or City's agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or City.

M. ASSIGNMENT

The rights and obligations of the Developer under this Agreement shall be fully assignable by means of written notice to the City, provided that no such assignment shall be deemed to release the assignor of its obligations to the City under this Agreement unless the consent of the City to the release of the assignor's obligations is first obtained. Consent shall not be unreasonably withheld provided that the nature of the Project is not substantially changed.

N. PREPAYMENTS

Should the annual incremental tax revenue generated by the Project be sufficient to pay all eligible project costs to the expiration of the term of the Agreement, City may, in its sole discretion, elect to pay all then remaining payments in a single lump sum payment.

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.

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:

TO CITY:

City Clerk, City of LaSalle
745 Second St.
LaSalle, IL 61301
Telephone: (815)223-3755
Fax: (815)223-9508

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

TO DEVELOPER:

Thomas Arnold
121 Gooding Street
LaSalle, IL 61301
(815)220-1065

R. SUCCESSORS IN INTEREST

Subject to the provisions of paragraph M, 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. INDEMNIFICATION OF CITY

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

U. 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.

V. TERM OF THE AGREEMENT

This Agreement shall expire upon the expiration of the TIF District adopted by the City or sooner if the Developer has received all incentives included herein.

[*The balance of this page is intentionally blank.*]

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

CITY

LaSalle, Illinois, Municipal Corporation

BY: _____

Mayor, City of LaSalle

ATTEST:

_____

Deputy City Clerk

DEVELOPER

Thomas Arnold

_____

ATTACHMENT "K"

CITY OF LASALLE, ILLINOIS
TAX INCREMENT FINANCING V/SPECIAL TAX ALLOCATION FUND
STATEMENT OF REVENUES, EXPENDITURES, AND CHANGES IN FUND BALANCE
BUDGET AND ACTUAL
Year Ended April 30, 2014

	Budget	Actual	Variance Favorable (Unfavorable)
REVENUES			
Taxes:			
Property tax	$ 110,759	$ 110,708	$ (51)
Sales tax	-	-	-
Interest	-	46	46
Total revenues	110,759	110,754	(5)
EXPENDITURES			
General government:			
Legal fees	10,968	11,025	(57)
Tax refunds, schools	-	-	-
Tax refunds, other	12,517	12,517	-
Intergovernment agreements	24,678	24,678	-
Capital improvements, other	102,675	103,729	(1,054)
Payments to developers	-	-	-
Miscellaneous expense	-	-	-
	150,838	151,949	(1,111)
Debt service:			
Principal payments	-	-	-
Interest payments	-	-	-
Bank charges	-	-	-
Fiscal agent fees	-	-	-
	-	-	-
Total expenditures	150,838	151,949	(1,111)
Excess (deficiency) of revenues over expenditures	(40,079)	(41,195)	(1,116)
OTHER FINANCING USES			
Operating transfers in	110,000	55,000	(55,000)
Excess (deficiency) of revenues and other financing sources over expenditures	$ 69,921	13,805	$ (56,116)
FUND BALANCE, BEGINNING OF YEAR		179	
FUND BALANCE, END OF YEAR		$ 13,984	

ATTACHMENT "L"

JAY MICKOW, CPA, P.C.

Becker Professional Suites
850 East Thompson Street, Princeton, Illinois 61356

815.872.3330 tel 815.872.3332 fax

Independent Auditor's Report

To the Honorable City Council
City of LaSalle, Illinois

We have audited, in accordance with generally accepted auditing standards, the financial statements of the City of LaSalle, Illinois as of and for the year ended April 30, 2014, and have issued our report thereon dated November 26, 2014.

In connection with our audit, nothing came to our attention that caused us to believe that the City of LaSalle, Illinois failed to comply with the provisions of the Illinois Tax Increment Allocation Redevelopment Act with respect to allowable costs as identified in Section 11-74.4-3(q) of the Act. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance.

This report is intended solely for the information and use of the City Council and management of the organization and the State of Illinois Comptroller and is not intended to be and should not be used by anyone other than these specified parties.

CPA, P.C.

Princeton, Illinois
December 10, 2014

City of LaSalle
TIF District V
Intergovernmental Agreements

ATTACHMENT M

1. LaSalle Grade School District #122

   During the 2014 Fiscal Year, $11,106 was paid from the TIF District to the School District.

2. LaSalle County

   During the 2014 Fiscal Year, $5,804 was paid from the TIF District to the School District.

3. LaSalle Peru High School District #120

   During the 2014 Fiscal Year, $9,350 was paid from the TIF District to the School District.

4. Illinois Valley Community College

   During the 2014 Fiscal Year, $4,222 was paid from the TIF District to the School District.