

**RESOLUTION 12-106      Passed: October 22, 2012**

**AUTHORIZING THE MAYOR OF THE CITY OF DEKALB, ILLINOIS, TO ENTER INTO AN AGREEMENT FOR THE PURPOSE OF FINANCING FY13 ARCHITECTURAL IMPROVEMENT PROGRAM PROJECT WITH TAX INCREMENT FINANCING FUNDS AT 221 WEST LINCOLN HIGHWAY.**

**BE IT RESOLVED BY THE CITY COUNCIL** of the City of DeKalb, Illinois, as follows:

**Section 1.** That the Mayor of the City of DeKalb, Illinois, is authorized and directed to sign an agreement with the following party for a project authorized through the City of DeKalb FY13 Architectural Improvements Program:

**Arthur & Joan Richoz  
221 West Lincoln Highway  
AIP Committee Funding Recommendation: \$5,005.49**

**Section 2.** That the terms and conditions of the agreement shall follow the form in the copy of the Funding Agreement attached as Exhibit "1".

**Section 3.** That the City Clerk of the City of DeKalb is authorized and directed to attest the Mayor's signature.

**PASSED BY THE CITY COUNCIL** of the City of DeKalb, Illinois, at a regular meeting thereof held on the 22<sup>nd</sup> day of October, 2012, and approved by me as Mayor on the same day. Passed on the Consent Agenda in omnibus form by roll call vote 8-0. Aye: Jacobson, Teresinski, Lash, Gallagher, Naylor, Baker, O'Leary, Povlsen.

**ATTEST:**



**DIANE K. WRIGHT**, City Clerk



**KRIS POVlsen**, Mayor



**EXHIBIT "1"**

CITY CLERK FILES:  
Number: KES 12-106  
Date: 10/22/12

**CITY OF DEKALB  
FY13 ARCHITECTURAL IMPROVEMENT FUNDING AGREEMENT**

**THIS AGREEMENT** entered into this 22nd day of October, 2012 between the City of DeKalb, Illinois, a home rule municipality, (hereinafter referred to as "the CITY"), and the following designated owner ("OWNER"), to wit:

Name of Owner: Arthur V. & Joan K. Richoz  
Address of Property to be improved: 221 West Lincoln Highway, DeKalb, IL 60115

**WITNESSETH:**

**WHEREAS**, the City has established an Architectural Improvement Program ("Program") for application within the City of DeKalb; and,

**WHEREAS**, said Program is administered by the CITY, with funding decisions made by the CITY with the advice of the Architectural Improvement Review Committee; and,

**WHEREAS**, said Program is funded from TIF funds for the purpose of controlling and preventing blight and deterioration within the City, and to encourage the further redevelopment of properties in the City in accordance with the general guidelines set forth in the Program; and,

**WHEREAS**, the subject property of the OWNER is located within the defined Program area; and,

**WHEREAS**, pursuant to the Program the CITY has agreed to financially participate, subject to its sole discretion, the Program Guidelines, and the terms and conditions set forth in this Agreement; and,

**WHEREAS**, the OWNER desires to participate in the Program, subject to the Program Guidelines and the terms and conditions set forth in this Agreement;

**NOW THEREFORE**, in consideration of the mutual covenants and agreement obtained herein, the CITY and the OWNER do hereby agree as follows:

A. That the CITY shall share in the proposed improvements costs to the subject property of the OWNER, in an amount not to exceed \$5,005.49 and the City shall reimburse the OWNER for said amount upon submittal of proof of an equivalent amount paid for work on the subject property; and final waivers of lien, if applicable. The funding paid, provided, waived and/or forgiven by the City to the Owner shall be considered a Forgivable Loan, subject to the following terms:

B. That OWNER agrees to install, or cause to be installed, all improvements set forth within the accompanying application materials, descriptions and drawings, and agrees that all improvements shall be completed within one (1) calendar year from the date of the project's approval by the City Council, and in such a manner as to comply with all conditions of approval of this Agreement, and in accordance with the Program Guidelines and all pertinent regulations, ordinances, or codes of the City of DeKalb or other authority having jurisdiction over subject property;

C. That, upon submittal of appropriate receipts paid, any necessary final lien waivers, certified payroll

records of contractors, and verification that the improvements have been completed as proposed, the CITY shall reimburse the actual costs of the improvements, in amounts not exceeding the value stated in Paragraph A, above, and the CITY shall have up to twenty working days to disburse such amounts upon receipt of all necessary documentation, subject to standard CITY policies and procedures;

D. That all payments or disbursements made by the CITY shall be considered reimbursements for work completed and paid for by the property OWNER, subject to the other terms and conditions set forth herein, and within the Program Guidelines and standard CITY policies;

E. That any outstanding code violations of the property to which the improvements were made must be repaired prior to the City releasing funds for reimbursement. Notwithstanding any other provisions of this Agreement, the City shall make no payments to any person, firm, or corporation who is a debtor to the City of DeKalb, as defined in Chapter 54, Section 54.15, Purchasing and Letting of Contracts, Subsection g.

F. OWNER agrees to maintain all improvements for a period of five years from the date of reimbursement by the CITY, except for minor changes such as repainting or other maintenance items, or the changing of sign panels and such due to changes in tenants, or the continuation of further improvements to the building, provided said improvements do not conflict with or interfere with the improvements funded by this Program;

G. OWNER agrees that any minor changes or further improvements, as outlined above, shall only be made after approval by the Director of Community Development, or designee thereof, who may refer the proposed changes to the City Council of the CITY for final approval. Such approval shall not be unreasonably withheld if the proposed changes do not substantially alter the original design concept of the appearance of the subject property as specified in the plans, design drawings and specifications approved pursuant to this Agreement;

H. That in the case of conflicting codes, ordinances, rules, regulations or guidelines, the City Council of the CITY shall make a ruling, and that ruling shall be final;

I. Nothing herein is intended to limit, restrict or prohibit the OWNER from undertaking any other work in or about the subject property, which is unrelated to the architectural improvements provided for in this Agreement;

J. The Owner agrees that it shall maintain its business operations and/or ownership rights of the property for a period of five (5) years from the date of reimbursement for work completed as provided herein. This Agreement shall be binding upon and inure to the benefit of the CITY and the OWNER, and their heirs, for a period of five (5) years from the date of reimbursement for work completed as provided for herein. Further, a mortgage shall be recorded at the OWNER'S expense with the DeKalb County Recorder of Deeds;

K. If the OWNER fails to complete or cause the completion of the work subject to the terms of this Agreement or fails to comply with any other terms of this Agreement, then upon written notice being given by the City Manager to the OWNER, served in person or by certified mail to the address on this Agreement above, this Agreement shall be terminated and the financial obligation on the part of the CITY shall cease and become null and void;


L. If the OWNER removes or fails to maintain all improvements for which reimbursement by CITY is provided under the terms of this Agreement, then upon written notice being given by the City Manager to the OWNER, served in person or by certified mail to the address on this Agreement above, the OWNER agrees to reimburse the CITY for the full amount of funding provided by the CITY under the terms of this

Agreement within thirty (30) days of receipt of aforementioned written notice, with the amount of reimbursement owed to the City reduced by one-fifth (1/5) of the full amount funded by the CITY under this Agreement for every one calendar year the improvements resulting from this Agreement and the aforementioned Program are maintained in accordance with the terms of this Agreement.

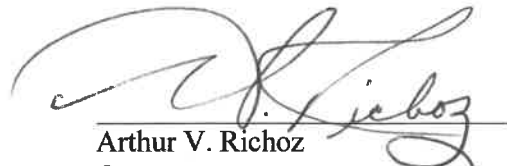
M. Upon default of this Agreement by either party, other than default upon the installation of improvements as described in Paragraphs J and K, above, the OWNER and/or the CITY shall have any and all remedies available at law.

**IN WITNESS THEREOF**, the parties hereto have executed this Agreement on the date first appearing above.

**CITY OF DEKALB, ILLINOIS**  
A Municipal Corporation


  
Kris Povlsen  
Mayor


**PROPERTY OWNER**  
850 South Fourth Street, DeKalb, Illinois

  
Arthur V. Richoz  
Owner

ATTEST:

Mayor

  
Joan K. Richoz  
Owner

  
Diane Wright  
City Clerk



Prepared by and  
Return to:  
City of DeKalb  
Economic Development  
Department  
200 South Fourth Street  
DeKalb, IL 60115



2013007456

JOHN J. ACARDO  
RECORDER - DEKALB COUNTY, IL  
RECORDED: 6/10/2013 01:19 PM  
REC FEE: 45.00

PAGES: 9

### **MORTGAGE**

THIS MORTGAGE is made on this 1st day of March, 2013. The mortgagors are Arthur & Joan Ricoz ("Borrower"). This Security Instrument is given to the CITY OF DEKALB, Illinois, a municipal corporation, and whose address is 200 South Fourth Street, DeKalb, Illinois ("Lender"). Borrower owes Lender the principal sum of Five Thousand Five and 49/100 Dollars (\$5,005.49) which will otherwise be considered a grant from the Lender to the Borrower if Borrower complies with all the conditions contained in Borrower's Note attached hereto as exhibit "A" dated the same date as this Security Instrument ("Mortgage") and with all the conditions stated in Borrower's application for financial assistance under the City of DeKalb Architectural Improvement Program.

If Borrower fails to comply with the conditions in the Note, then the principal sum above shall be paid within thirty (30) days of the Borrower conveyance or transfer occurs within the time limits indicated in the Note.

This Security Instrument secures to Lender: (a) the repayment of the debt evidenced by the Note; and (b) the performance of the Borrower's covenants and agreements under this Security Instrument and the Note. For this purpose, Borrower does hereby mortgage, grant and convey to Lender the following legally described property located in DeKalb, Illinois:

Legal:

LOTS 1 AND 2 IN BLOCK 2 IN SPANGENBERG'S ADDITION TO THE CITY OF DEKALB, ACCORDING TO THE PLAT THEREOF RECORDED SEPTEMBER 11<sup>TH</sup>, 1895 IN BOOK "C" OF PLATS, PAGE 9, SITUATED IN DEKALB COUNTY, ILLINOIS EXCEPTING THEREFROM THE FOLLOWING: PART OF LOTS 1 AND 2 IN BLOCK 2 IN SPANGENBERG'S ADDITION TO THE CITY OF DEKALB, ACCORDING TO THE PLATE THEREOF RECORDED SEPTEMBER 11, 1895 IN BOOK "C" OF PLATS, PAT 9, SITUATED IN DEKALB COUNTY, ILLINOIS DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF LOT 1; THENCE NORTHERLY ALONG THE EAST LINE OF LOT 1, A DISTANCE OF 4.0 FEET; THENCE WESTERLY 50.00 FEET TO A POINT THAT IS 1.20 FEET NORTH OF THE SOUTH LINE OF LOT 1; THENCE CONTINUING WESTERLY TO A POINT THAT ON THE SOUTH LINE OF LOT 1 THAT IS 111.33 FEET WESTERLY OF THE SOUTHEAST CORNER OF LOT 1; THENCE EASTERLY ALONG THE SOUTH LINE OF LOT 1 TO PLACE OF BEGINNING.

Commonly known as: 221 West Lincoln Highway, DeKalb, Illinois 60115

PIN: 08-22-251-023

Borrower covenants that Borrower is lawfully seized of the estate hereby conveyed and has the right to mortgage, grant and convey the Property and that the Property is unencumbered, except for encumbrances of record. Borrower warrants and will defend generally the title to the Property against all claims and demands, subject to any encumbrances of record.


It is expressly understood by the Borrower, who is the maker of the Note and who is the applicant under the City of DeKalb Private Property Rehabilitation Program, that upon compliance by the Borrower with the terms and conditions of the Note and upon payment in full of said Note (if required under conditions in the Note), the Note together with this Mortgage shall be released.

If all or part of the property or any interest therein is sold or transferred without the City of DeKalb's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage. If the Lender exercises this option, the Lender shall give the Borrower notice of such action. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums before the expiration of this period, the Lender will invoke all remedies permitted by this Mortgage without further notice or demand on Borrower.

If default is made in the payment of said Note secured by this Mortgage or the conditions above-mentioned, the Lender may enter into or upon and take possession of the premises hereby granted, or any part thereof, and may collect rents, issues and profits thereof, and in its own name or otherwise, may file a complaint against the Borrower, his/her/their/its heirs, executors, administrators and assigns, to obtain a decree of foreclosures and for the sale and conveyance of the whole or any part of said premises for the purposes herein specified, by said Lender, under order of court, and out of the proceeds of any such sale shall first pay the costs of such suit, all costs of advertising sale and conveyance, including reasonable attorney's fees.

Any notice to Borrower provided for in this Mortgage shall be given by delivering it or by mailing it by certified mail unless applicable law requires use of another method. The notice shall be directed to the property address or any other address Borrower designates by notice to the Lender. Any notice to the Lender shall be given by certified mail to the Planning and Development Department, 223 South Fourth Street, City of DeKalb, Illinois, 60115, or any other address the Lender designates by notice to the Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to Borrower or the Lender when given as provided for in this paragraph.

In witness whereof, the Borrower has executed this Mortgage on the day and year first above written.

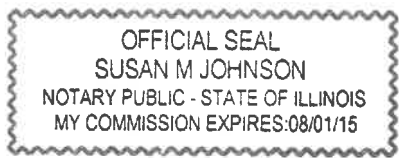
  
Arthur Richoz, Owner

STATE OF ILLINOIS     )  
                                  ) SS  
COUNTY OF DEKALB     )

I, Susan M Johnson, a Notary Public in and for the County of DeKalb, in the State of Illinois, do hereby certify that Arthur Richoz, personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledge that he/she/their signed, sealed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and notary seal, given this 1<sup>st</sup> day of March 2013.

Susan M Johnson  
Notary Public



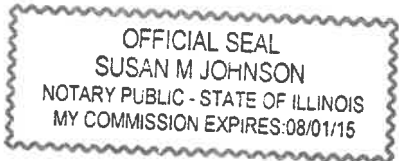
Joan K. Richoz  
Joan Richoz, Owner

STATE OF ILLINOIS     )  
                                  ) SS  
COUNTY OF DEKALB     )

I, Susan M Johnson, a Notary Public in and for the County of DeKalb, in the State of Illinois, do hereby certify that Joan Richoz, personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledge that he/she/their signed, sealed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and notary seal, given this 1<sup>st</sup> day of March 2013.

Susan M Johnson  
Notary Public



**EXHIBIT "A"**

**PROMISSORY NOTE  
CITY OF DEKALB, ILLINOIS**

**March 1, 2013**

\$5,005.49

FOR VALUE RECEIVED, Arthur and Joan Richoz, as owners of the real property located at 221 West Lincoln Highway, DeKalb, Illinois, out of that portion of the real estate mortgaged to secure the payment hereof, TO PAY TO THE ORDER OF the CITY OF DEKALB, or BEARER in the manner hereinafter and in said Mortgage provided, the balance of the principal sum of Five Thousand Five and 49/100 Dollars (\$5,005.49). The balance of the principal sum owed the BEARER shall be reduced by one-fifth (1/5) of the original principal sum on the annual anniversary of the date of this Note, such that the balance of the principal sum for this Note shall equal Zero Dollars and No Cents (\$0.00) on the **fifth anniversary** of the date of this Note.

The payment of the balance of the principal sum is to be made at the principal offices of the City of DeKalb, Illinois.

The payment of this Note is secured by a Mortgage, bearing even date herewith, to CITY OF DEKALB, on real estate in the City of DeKalb, DeKalb County, Illinois. It is agreed that at the election of the holder or holders hereof and without notice, the principal sum remaining unpaid hereon shall become at once due and payable at the place of payment aforesaid in case of default in the payment of principal or interest when due in accordance with the terms hereof or in case at any time hereafter the right to foreclose said Mortgage shall accrue to the legal holders hereof under any of the provisions contained in said Mortgage. All costs and expenses of collection, including reasonable attorneys' fees, shall become additional indebtedness secured by said Mortgage.

If, prior to the **fifth anniversary** of the date of this Note, all or any part of the property or any interest in it is sold or transferred (or if beneficial interest in undersigned is sold or transferred and undersigned is not a natural person) or the property ceases to be the primary business location of undersigned, without prior written consent of the City of DeKalb, or if the property owner fails to comply with any provision in the Architectural Improvement Funding Agreement, attached here to as Exhibit "1", the City of DeKalb may, at its option, require immediate payment in full of all sums secured by said Mortgage. City of DeKalb may elect to declare default and may elect to shall abate all collection and cancel said Promissory Note in the event of involuntary transfer or conveyance. Involuntary transfer shall mean a transfer, assignment or conveyance arising by death, bankruptcy, act of God or operation of law, in which this obligation shall become the liability of the heirs, devisees, or assignees to which the property has been involuntarily transferred.



All parties hereto severally waive presentment for payment, notice of dishonor, protest and notice of protest.

Arthur Richoz  
Arthur Richoz, Owner

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF DEKALB     )

I, Susan M Johnson, a Notary Public in and for the County of DeKalb, in the State of Illinois, do hereby certify that Arthur Richoz, personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledge that he/she/their signed, sealed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and notary seal, given this 25<sup>th</sup> day of February 2013.

Susan M Johnson  
Notary Public



Joan Richoz  
Joan Richoz, Owner

STATE OF ILLINOIS        )  
                                      ) SS  
COUNTY OF DEKALB     )

I, Susan M Johnson, a Notary Public in and for the County of DeKalb, in the State of Illinois, do hereby certify that Joan Richoz, personally known to me to be the same person(s) whose name(s) is/are subscribed to the foregoing instrument, appeared before me this day in person, and acknowledge that he/she/their signed, sealed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set forth, including the release and waiver of the right of homestead.

Given under my hand and notary seal, given this 25<sup>th</sup> day of February  
20 13.

Susan M Johnson  
Notary Public

