

2020012036

DOUGLAS J. JOHNSON RECORDER - DEKALB COUNTY, IL

RECORDED: 11/13/2020 08:42 AM

REC FEE: 75.00

STATE OF ILLINOIS)
COUNTY OF DEKALB) SS
CITY OF DEKALB)

PAGES: 52

CERTIFICATION

I, RUTH A. SCOTT, am the duly qualified and appointed Executive Assistant of the City of DeKalb, DeKalb County, Illinois, as authorized by Local Ordinance 2019-059, and as such Executive Assistant, I maintain and am safe-keeper of the records and files of the Mayor and City Council of said City.

I do hereby certify that the attached hereto is a true and correct copy of:

RESOLUTION 2020-115

AUTHORIZING A REDEVELOPMENT AGREEMENT WITH CITY HALL SUITES, LLC FOR THE REDEVELOPMENT OF PROPERTY LOCATED AT 200 S. FOURTH STREET, DEKALB, ILLINOIS (JOHANN DEKALB SUITES).

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, on the 26th day of October 2020.

WITNESS my hand and the official seal of said City this 13th day of November 2020.

RUTH A. SCOTT, Executive Assistant

Prepared by and Return to:

City of DeKalb City Manager's Office Attention: Ruth A. Scott 164 E. Lincoln Highway DeKalb, Illinois 60115 AUTHORIZING A REDEVELOPMENT AGREEMENT WITH CITY HALL SUITES, LLC FOR THE REDEVELOPMENT OF PROPERTY LOCATED AT 200 S. FOURTH STREET, DEKALB, ILLINOIS (JOHANN DEKALB SUITES).

PASSED: OCTOBER 26, 2020

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government which may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, the City has the authority to promote the health, safety, and welfare of the City and its residents, prevent the spread of blight and deterioration by promoting the development of certain properties through Tax Increment Financing ("TIF"), and enter into agreements with property owners, developers, and others necessary or incidental to the implementation and furtherance of the development plan pursuant to 65 ILCS 5/11-74.4, et seq.; and

WHEREAS, City Hall Suites, LLC (the "Developer") is the contingent contract purchaser of property located at the common address of 200 South Fourth Street and legally described on Exhibit A attached hereto and incorporated herein (the "Property"); and

WHEREAS, the Property is within the City's TIF 3 district and has been underutilized, obsolete, vacant, and without equalized assessed valuation for several years; and

WHEREAS, Developer intends to redevelop the Property by demolishing the existing buildings, mitigating known environmental problems, and constructing three (3) two-story structures with 57 residential rental units, consisting of 49 one-bedroom units and 8 two-bedroom units, exercise and recreational facilities, group meeting space, integrated parking and green space at an estimated cost of \$3,700,000.00 (the "Project"); and

WHEREAS, Developer has requested \$750,000.00 in TIF incentives from the City for certain TIFeligible costs associated with the Project, none of which shall be used to acquire the Property; and

WHEREAS, Developer represents and warrants that the Project would not be completed but for the requested TIF incentives from the City, but that Developer otherwise has sufficient financing, expertise, and skill to construct, complete, and develop the Project in accordance with this Agreement; and

WHEREAS, the City and Developer have negotiated a Redevelopment Agreement for purposes of enabling the redevelopment of the Property in the same or substantially similar form as Exhibit B attached hereto and incorporated herein (the "Redevelopment Agreement"); and

WHEREAS, the City's Corporate Authorities have considered the Redevelopment Agreement and have determined that the best interests of the City's health, safety, and welfare including, but not limited to, the sustainable economic growth and development of the City and enhanced equalized assessed valuation of the Property, will be served by approving this Agreement;

NOW, THEREFORE, BE IT RESOLVED by the Mayor and City Council of the City of DeKalb, DeKalb County, Illinois, as follows:

SECTION 1: The recitals to this Resolution are true, material, adopted and incorporated as

Section 1 to this Resolution.

SECTION 2: The City's Corporate Authorities approve the Redevelopment Agreement in the same or substantially similar form as Exhibit B attached hereto and incorporated herein, and further authorize and direct the Mayor to execute, and the City Clerk or Executive Assistant to attest, the Redevelopment Agreement and all other documents necessary to effect the execution of the Redevelopment Agreement, and for the City Manager or his designee to record the security documents attached as Group Exhibit F to the Redevelopment Agreement with the DeKalb County Clerk and Recorder.

SECTION 3: This Resolution and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such resolution should (a) contain terms contrary to the provisions of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the corporate authorities of the City of DeKalb that to the extent that the terms of this Resolution should be inconsistent with any non-preemptive state law, that this Resolution shall supersede state law in that regard within its jurisdiction.

SECTION 4: This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 26th day of October 2020 and approved by me as Mayor on the same day. Passed by an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None.

ATTEST:

RUTH A. SCOTT, Executive Assistant

JERRY SMITH, Mayor



EXHIBIT A (Legal Description of the Property)

The Property is legally described as follows:

DEKALB (ORIGINAL TOWN) - ALL BLOCK 22

PIN: 08-23-305-013

Common Address: 200 S. Fourth Street, DeKalb, IL 60115

EXHIBIT B (Redevelopment Agreement)

EXHIBIT B

<u>REDEVELOPMENT AGREEMENT</u> (200 S. Fourth Street, DeKalb, Illinois)

This Development Agreement (the "Agreement") is made and entered into this 26th day of October, 2020, by and between the City of DeKalb, an Illinois home rule municipal corporation (the "City") and City Hall Suites, LLC, an Illinois limited liability company (the "Developer"), who are collectively referred to as the Parties.

RECITALS:

WHEREAS, the City has the authority to promote the health, safety, and welfare of the City and its residents, prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of certain properties through Tax Increment Financing ("TIF"), and enter into agreements with property owners, developers, and others necessary or incidental to the implementation and furtherance of the development plan pursuant to 65 ILCS 5/11-74.4, et seq.; and

WHEREAS, the City is the owner of real property located at the common address of 200 S. 4th Street in the City and legally described on Exhibit A attached hereto and incorporated herein (the "Property"); and

WHEREAS, Developer is the contingent contract purchaser of the Property pursuant to the Real Estate Purchase Agreement attached hereto and incorporated herein as Exhibit B (the "Purchase Agreement"); and

WHEREAS, the Property is within the City's TIF 3 district; and

WHEREAS, the Property has been underutilized, obsolete, vacant, and without equalized assessed valuation for several years; and

WHEREAS, Developer intends to redevelop the Property by demolishing the existing buildings, mitigating known environmental problems, and constructing three (3)

two-story structures with 57 residential rental units, consisting of 49 one-bedroom units and 8 two-bedroom units, exercise and recreational facilities, group meeting space, integrated parking and green space, all in accordance with the plans and conditions set forth in the Zoning Ordinance attached hereto and incorporated herein as Exhibit C (the "Zoning Ordinance"), at an estimated cost of \$3,700,000.00, all of which is collectively referred to herein as the "Project"; and

WHEREAS, Developer has requested \$750,000.00 in TIF incentives from the City for certain TIF-eligible costs associated with the Project, none of which shall be used to acquire the Property; and

WHEREAS, Developer represents and warrants that the Project would not be completed but for the requested TIF incentives from the City, but that Developer otherwise has sufficient financing, expertise, and skill to construct, complete, and develop the Project in accordance with this Agreement; and

WHEREAS, Developer has submitted a zoning petition and plan applications for the City to approve a zoning map amendment from the "CBD" Central Business District to the "PD-R" Planned Development – Residential District and a Planned Development Preliminary Plan to allow for the construction of the Project;

WHEREAS, the Parties have conducted all required public hearings before the City's Planning and Zoning Commission for the rezoning for the Property; and

WHEREAS, the Parties desire the adoption of an ordinance approving certain zoning classification for the Property that is substantially in the form of the Zoning Ordinance; and

whereas, Developer acknowledges that it is not entitled to the City's approval of the Zoning Ordinance and TIF incentives, which constitute valuable consideration for the Parties' promises, undertakings, and covenants provided herein; and

WHEREAS, the Parties have negotiated and voluntarily entered into this Agreement for purposes of enabling the redevelopment of the Property consistent with this Agreement; and

WHEREAS, the Parties are legally authorized to enter into this Agreement and to perform all of their respective undertakings and covenants set forth herein; and

WHEREAS, the City's Corporate Authorities have considered this Agreement and have determined that the best interests of the City's health, safety, and welfare including, but not limited to, the sustainable economic growth and development of the City and enhanced equalized assessed valuation of the Property, will be served by this Agreement.

NOW, THEREFORE, in consideration of the promises, undertakings and covenants hereinafter set forth, and for other good and valuable consideration, the receipt and sufficiency of which is hereby mutually acknowledged by the parties hereto, the Parties agree as follows:

- **1.0** Recitals: The foregoing recitals are true, correct, material, and incorporated into this Agreement as if fully set forth in this paragraph.
- **Zoning:** Contemporaneous to the adoption and execution of this Agreement, the City shall approve an ordinance substantially in the form of the Zoning Ordinance. The zoning classification for the Property approved in the Zoning Ordinance shall remain in effect from and after the adoption of the Zoning Ordinance during the term of this Agreement, unless an amendment or change is sought by Owner, or the then fee owner of the Property, or of any portion of the Property, or as otherwise provided by law

for the amendment of zoning classifications. Notwithstanding the foregoing to the contrary, the Parties agree that if the City re-defines or amends the zoning classification applicable to the City, the regulations established by such re-defined or amended zoning classification shall not be more restrictive than, and shall not impose greater limitations on the development, use, or enjoyment of the Property than that allowed under the Zoning Ordinance. Except as may otherwise be provided by this Agreement, any development of the Property shall conform to the requirements of the City's Unified Development Ordinance (the "UDO") and other development regulations with appropriate site, engineering, planned development and landscape plan reviews and approvals by City Staff, the City's Planning and Zoning Commission, and the City's Corporate Authorities.

- 3.0 <u>Development of the Property:</u> Developer shall commence and complete the Project with reasonable professional skill and in accordance with this Agreement within eighteen (18) months of the date of the issuance of the first building or construction permit requested by Developer in connection with the Project. The construction and development of the Property shall conform to the plans approved by the Zoning Ordinance and comply with the City's Municipal Code and all other applicable ordinances, regulations, and laws. The City agrees to issue demolition and construction permits requested by Developer in connection with the Project. Developer shall pay all applicable fees required under the City's Code for the Project including, but not limited to, plan review, permit, and building inspection fees.
- 4.0 <u>Maintenance of the Property:</u> The maintenance and operation of the Property shall comply with the City's Code and all other applicable ordinances, regulations, and laws. The Property shall be managed, operated, and maintained with reasonable professional skill by appropriately trained personnel. Developer shall

cooperate in good faith with the City to maintain the Property in compliance with applicable City ordinances relating to property maintenance and crime free housing. Developer further agrees to: install, maintain, and provide access to a "Knox Box" entry system on the Property's primary building entrances for use by the City's emergency responders; allow the City's law enforcement personnel access to any surveillance video footage operated on the Property for law enforcement purposes; allow an annual inspection of the Property's common areas by the City's Police Department, Fire Department, and Building Department for the purpose of confirming compliance with applicable City ordinances relating to property maintenance and crime free housing; and execute a "No Trespass Agreement" in the same or substantially similar form as Exhibit D attached hereto and incorporated herein (the "No Trespass Agreement").

5.0 TIF Incentive:

- 5.1 The City shall reimburse Developer's TIF-eligible expenses from funds available to the City in the City's Special Tax Allocation Fund from the real estate tax increment collected by the City's TIF 3 District in a total amount not to exceed \$750,000.00 as follows: (1) reimbursement of TIF-eligible expenses relating to the demolition of the existing structures and conditions on the Property upon the completion of said demolition as solely determined by the City Manager in his exercise of discretion and judgment; and (2) reimbursement of TIF-eligible expenses relating to the construction of public works or improvements (e.g., underground utilities, public sidewalks) upon the completion of said construction as solely determined by the City Manager in his exercise of discretion and judgment.
- 5.2 The Parties acknowledge that the City's liability to pay the TIF Incentive shall be expressly limited to funds available to the City in the City's Special Tax Allocation

Fund from the real estate tax increment collected by the City's TIF 3 District. The City's limited obligation under this Agreement to reimburse Developer shall neither constitute an indebtedness of the City under Illinois law, nor shall it constitute or give rise to any pecuniary liability, charge, or lien against the City, any City fund, or otherwise require the City to utilize its taxing authority to fulfill the terms of this Agreement.

- 5.3 The Parties agree that the City shall not reimburse Developer's TIF-eligible expenses until Developer has provided the City with: (1) all records, certifications, documents, and information requested by the City to determine and approve Developer's TIF-eligible expenses in the same or substantially similar form as Exhibit E (the "Project Cost Documentation Requirements") attached hereto and incorporated herein; and (2) an executed promissory note and mortgage in the same or substantially similar form as Group Exhibit F (the "Security Documents") attached hereto and incorporated herein.
- 5.4 Except as otherwise provided by this Agreement, the City shall approve or disapprove Developer's written requests for reimbursement of TIF-eligible expenses within thirty (30) calendar days of after receipt, and if approved, shall provide payment to the Developer within forty-five (45) calendar days of said approval. Developer may submit written requests for reimbursement consisting of estimates of costs before actually incurring said expenses, subject to later confirmation by actual bills.
- 5.5 The TIF incentive provided herein is intended to be repaid as a forgivable incentive, payable through the generation of revenues (e.g., real property taxes) from the development of the Property after the effective date of this Agreement through the effective 20-year term of this Agreement. The Parties stipulate that, as of the effective date of this Agreement, the Property's equalized assessed valuation is \$0.00, the Property's real property tax irrespective of the TIF District is \$0.00, and the Property's

sales tax generation for the 2019 year is \$0.00. During the term of the TIF District, 100% of the TIF increment generated from the Property after the effective date of this Agreement shall be included as a payment or credit toward the forgiveness of the TIF incentive provided herein. After the expiration of the TIF District, 100% of the real property tax generated from the Property after the effective date of this Agreement in excess of the Property's real property tax as of the effective date of this Agreement shall be included as a payment or credit toward the forgiveness of the TIF incentive provided herein. After the effective date of this Agreement, 100% of all sales tax generated from the Property that is actually received by the City shall be included as a payment or credit toward the forgiveness of the TIF incentive provided herein.

5.6 If, upon the expiration of the term of this Agreement, the TIF incentive provided herein has not been completely repaid or forgiven as contemplated by the above paragraph, then the remaining balance shall be a debt due and owing to the City requiring repayment within 120 calendar days of Owner's receipt of written notice of same from the City. The City may enforce its right of repayment by virtue of a contract action seeking damages for violation of this Agreement, initiate an action for foreclosure of the City's mortgage(s), and pursue such other legal or equitable remedies as provided by law. Notwithstanding anything foregoing to the contrary, the City understands and agrees that the Owner may have legitimate need to borrow additional funds in the future from third-party sources for necessary capital improvements or other things, and the City hereby agrees that it shall subordinate its mortgage to other commercially reasonable mortgages and/or interests that are reasonably necessary for the Project completion, operation, and maintenance.

Indemnification: Developer and its agents, employees, officers, and contractors agree to defend, indemnify, and hold harmless the City and the City's officers, employees, and agents from and against any and all causes of action, claims, liabilities, losses, damages, injuries, expenses, costs, penalties, fines, and reasonable attorney's fees relating to or arising out of this Agreement, the TIF incentive provided under this Agreement, the construction and development of the Project, the Zoning Ordinance, the Purchase Agreement, and the maintenance of the Property. Developer's obligation under this Paragraph shall survive the expiration of this Agreement.

7.0 <u>Miscellaneous:</u>

- 7.1 The parties acknowledge and agree that the individuals who are members of the group constituting the City's corporate authorities are entering into this Agreement in their corporate capacities as members of such group and shall have no personal liability in their individual capacities.
- 7.2 (a) This Agreement shall be valid and binding for a term of twenty (20) years after the effective date of this Agreement, upon the City and upon Developer, together with their respective successors and assigns, and is further intended to be binding upon each successive lot owner of any lots of record created by the approval and recording of any Final Plats, and shall constitute a covenant running with the land. This Agreement shall be recorded with the DeKalb County Recorder's Office.
- (b) Developer may assign this Agreement without City approval, but only in connection with its conveyance of all or any part of the Property, and upon said assignment and acceptance by an assignee, Developer shall have no further obligations hereunder as to the Property or that portion of the Property conveyed, but shall continue to be bound by this Agreement and shall retain the obligations created thereby with

respect to any portion of the Property retained and not conveyed. If Developer or its successors sell a portion of the Property, the seller shall be deemed to have assigned to the purchaser any and all rights and obligations it may have under this Agreement (excluding rights of recapture) which affect the portion of the Property sold or conveyed and thereafter the seller shall have no further obligations under this Agreement as it relates to the portion of the Property so conveyed, but any such seller shall retain any rights and obligations it may have under this Agreement with respect to any part of the Property retained and not conveyed by such seller. The seller shall have the right to require the purchaser to deposit with the City a replacement Letter of Credit, in a form reasonably acceptable to the City Attorney, whereupon the City shall accept the replacement Letter of Credit in substitution of the seller's Letter of Credit.

- 7.3 The failure of any party to this Agreement to insist upon the strict and prompt performance of the terms, covenants, agreements, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect. No action taken by any party to this Agreement shall be deemed to constitute an election of remedies, and all remedies set forth in this Agreement shall be cumulative and non-exclusive of any other remedy either set forth herein or available to any party at law or equity.
- 7.4 In the event that any pertinent existing or future regulations, resolutions or ordinances of the City are inconsistent with or conflict with the terms or provisions of this Agreement, the terms or provisions of this Agreement shall supersede the regulations, resolutions or ordinances in question to the extent of such inconsistency or conflict

- 7.5 (a) Upon a breach of this Agreement, any of the parties may secure the specific performance of the covenants and agreements herein contained or may exercise any remedies available at law via an appropriate action, the sole venue for which shall be in the Circuit Court of DeKalb County, Illinois.
- (b) In the event of a material breach of this Agreement, the parties agree that the party alleged to be in breach shall have thirty (30) calendar days after written notice of said breach to correct the same prior to the non-breaching party seeking a judicial remedy as provided for herein; provided, however, that said thirty (30) day period shall be extended if the defaulting party has commenced to cure said default and is diligently proceeding to cure the same.
- any party is delayed as a result of circumstances which are beyond the reasonable control of such party including, without limitation, acts of God, war, strikes, inclement weather conditions, inability to secure governmental permits, or similar acts, but specifically excluding epidemics, pandemics, and public health emergencies such as COVID-19, the time for such performance shall be extended by the length of such delay; however, the party that seeks the benefit of this provision shall give the other(s) written notice of both its intent to rely upon this provision and the specific reason which permits the party to avail itself of the benefit of this provision.
- 7.6 This Agreement sets forth all agreements, understandings, and covenants between and among the parties. This Agreement supersedes all prior agreements, negotiations and understandings, written and oral, and is a full integration of the entire Agreement of the parties. Any amendment to this Agreement shall be in writing duly approved by the Parties.

- 7.7 This Agreement is not intended to and shall not be construed as creating an agency, joint venture, or partnership relationship between the Parties or giving any third-party any interests or rights with respect to this Agreement.
- 7.8 If any provision, clause, word, or designation of this Agreement is held to be invalid by any court of competent jurisdiction, such provision, clause, word or designation shall be deemed to be excised from this Agreement and the invalidity thereof shall not affect any other provision, clause, word, or designation contained herein. Furthermore, if any provision of this Agreement is held invalid, the invalidity thereof shall not cause the City to change any zoning classification which has been approved by the City pursuant to the provisions of the City's ordinances and the valid provisions of this Agreement, and such zoning classifications shall not otherwise be changed during the term of this Agreement without Owner's approval.
- 7.9 The City agrees to aid Owner and to cooperate reasonably with Owner in dealing with any and all applicable governmental bodies and agencies in obtaining utility and other governmental services for the Property. Furthermore, it is understood and agreed by the parties hereto that the successful consummation of this Agreement requires their continued cooperation. The Owners shall not seek to disconnect any portion of the Property from the City during the term of this Agreement.
- 7.10 This Agreement may be executed in multiple counterparts, all of which when taken together shall constitute one Agreement.
- 7.11 The headings of the Sections of this Agreement are for convenience and reference only and do not form a part hereof and do not modify, interpret or construe the understandings of the parties hereto.

- 7.12 This Agreement may be reproduced by means of carbons, xerox process, or otherwise. Each such reproduction, if manually executed by the parties, shall for all purposes be deemed, and the same is hereby declared, to be a duplicate original of this Agreement.
- 7.13 Terms used in this Agreement shall be read in the singular or the plural as may be appropriate to the context in which they are used.
- 7.14 Notices, including Notices to effect a change as to the persons hereinafter designated to receive Notice(s), or other writings which any party is required to or may wish to serve upon any other party in connection with this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the City, or the Corporate Authorities:

City of DeKalb Attention: City Manager 164 E. Lincoln Hwy. DeKalb, Illinois 60115

with a copy to the City Attorney:

John F. Donahue Donahue & Rose, PC 9501 W. Devon Ave., Suite 702 Rosemont, IL 60018

If to the Developer:

City Hall Suites, LLC ATTN: John F. Pappas, Manager 3 Fairway Cir. DeKalb, IL 60115

with a copy to Developer's Attorney:

Jeffrey L. Lewis Klein, Stoddard, Buck & Lewis 2045 Aberdeen Court, Suite A Sycamore, IL 60178 6.15 The parties each intend that this Agreement shall require the parties to act in accordance with any and all applicable laws and regulations enacted by any other governmental authority which are applicable to any action or activity undertaken by either party pursuant to, under, or in furtherance of this Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their proper officers duly authorized to execute the same, the day and year first above written.

ATTEST: By: Ruth Scott, Executive Assistant	CITY OF DEKALB By: Jerry Smith, City Mayor
ATTEST:	CITY HALL SUITES LLC
By: Stephanie Turner	By: John Pappas
Title: Aanin Assistant	Its: Manager

Redevelopment Agreement EXHIBIT A (Legal Description of the Property)

DEKALB (ORIGINAL TOWN) - ALL BLOCK 22

PIN: 08-23-305-013

Common Address: 200 S. Fourth Street, DeKalb, IL 60115

Redevelopment Agreement EXHIBIT B

(Real Estate Purchase Agreement)

Exhibit B of Redevelopment Agreement

PASSED: OCTOBER 26, 2020

RESOLUTION 2020-114

AUTHORIZING A REAL ESTATE PURCHASE AGREEMENT WITH CITY HALL SUITES, LLC FOR THE SALE OF REAL PROPERTY LOCATED AT 200 S. FOURTH STREET, DEKALB, ILLINOIS IN THE AMOUNT OF \$600,000 (JOHANN DEKALB SUITES).

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government which may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, the City is the owner in fee simple of real property located at 200 S. Fourth Street and legally described in Exhibit A attached hereto and incorporated herein by reference (the "Property"); and

WHEREAS, City Hall Suites, LLC (the "Developer") has offered to purchase the Property at the price of \$600,000.00, contingent upon the approval of this Resolution, the execution of a Real Estate Purchase Agreement in the same or substantially similar form as that attached hereto and incorporated herein as Exhibit B (the "Real Estate Purchase Agreement"), the approval and execution of a Redevelopment Agreement, and final zoning approvals for the Property; and

WHEREAS, the City's Corporate Authorities find that the sale of the Property is in the City's best interests for the protection of the public health, safety, and welfare;

NOW, THEREFORE, BE IT RESOLVED BY THE COUNCIL OF THE CITY OF DEKALB, ILLINOIS:

SECTION 1: The recitals to this Resolution are true, material, adopted, and incorporated herein as Section 1 to this Resolution.

SECTION 2: The City's Corporate Authorities, by a ¾ vote of the Corporate Authorities then holding office, approve of the sale of the Property to Developer at a price of \$600,000.00 (Six Hundred Thousand Dollars and Zero Cents). The City's Corporate Authorities further approve the Real Estate Purchase Agreement in the same or substantially similar form as Exhibit B, and direct the Mayor to execute, and the City Clerk or Executive Assistant to attest, the Real Estate Purchase Agreement and all other documents which may be necessary to effectuate the sale of the Property.

SECTION 3: This Resolution and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such ordinance should (a) contain terms contrary to the provisions of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the corporate authorities of the City of DeKalb that to the extent that the terms of this resolution should be inconsistent with any non-preemptive state law, that this resolution shall supersede state law in that regard within its jurisdiction.

SECTION 4: This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 26th day of October 2020 and approved by me as Mayor on the same day. Passed by

an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None.

ATTEST:

RUTH A. SCOTT, Executive Assistant

JERRY SMITH, Mayor



(Legal Description of the Property)

The Property is legally described as follows:

DEKALB (ORIGINAL TOWN) - ALL BLOCK 22

PIN: 08-23-305-013

Common Address: 200 S. Fourth Street, DeKalb, IL 60115

EXHIBIT B (REAL ESTATE PURCHASE AGREEMENT)

REAL ESTATE PURCHASE AGREEMENT (200 S. Fourth Street, DeKalb, Illinois)

This Agreement (the "Agreement"), by and between the City of DeKalb (the "City" or "Seller"), an Illinois home rule municipal corporation, and City Hall Suites, LLC, an Illinois limited liability company (the "Buyer"), collectively referred to as the Parties, and in consideration of the covenants set forth herein, the Parties hereby agree as follows:

RECITALS

WHEREAS, the City is a home rule unit of local government pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, the City is the owner in fee simple of real property located at 200 S. 4th Street, which is legally described in Exhibit A attached hereto and incorporated herein (the "Property"); and

WHEREAS, the City desires to sell the Property to Buyer upon and subject to all of the terms, provisions, and conditions set forth in this Agreement; and

WHEREAS, the City's Corporate Authorities find that the sale of the Property is in the public interest and promotes the public health, safety, and welfare; and

NOW, THEREFORE, in consideration of and in reliance upon the above Recitals, which are incorporated in and made a part of this Agreement, and in consideration of the mutual covenants and conditions set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

- 1. **Property to be sold.** The City agrees to convey the Property to the Buyer for the price of \$600,000.00 (Six Hundred Thousand Dollars and Zero Cents).
- 2. Earnest Money. By no later than October 30, 2020, Buyer shall deposit money in the amount of \$50,000.00 (Fifty Thousand Dollars and Zero Cents), made out to and held by the City, and credited, without interest, to the Buyer at closing, provided that the City shall return the entire sum deposited to the Buyer if the City's Corporate Authorities fail to approve this Agreement, the Buyer's petition for zoning approvals related to the Property, and the Redevelopment Agreement for the Property.
- **3. Possession.** At closing, the City shall deliver possession of the Property to the Buyer.
- **4. Deed.** The City agrees to convey the Property to the Buyer by a good and sufficient recordable special warranty deed, subject only to covenants, conditions, restrictions and easements apparent or of record and to all applicable zoning laws and ordinances.

5. Evidence of title.

- A. The Buyer shall be responsible for ordering and paying, at its sole cost and expense, a Commitment for Title Insurance issued by a title insurance company doing business in DeKalb County, committing a company to issue a policy in the usual form insuring title to the Property in the Buyer's name in such amount as desired by the Buyer.
- B. Permissible exceptions to title shall include only special assessments; zoning laws and building ordinances; easements, apparent or of record; covenants and restrictions of record which do not restrict reasonable use of the premises; and existing mortgages which shall be paid by the mortgagor at closing.
- C. If the Buyer requires a survey of the Property, it shall be the Buyer's responsibility to obtain such survey at its own expense.
- D. If title evidence or any survey discloses exceptions other than those permitted, the Buyer shall give written notice of such exceptions to the City within 15 days. The City shall have 15 days upon receipt of said written notice to have such title exceptions removed. If the City is unable to cure such exceptions, then the Buyer shall have the option to terminate this Agreement.
- 6. Closing. The Closing Date shall be November 30, 2020, or such earlier or later date as the Parties may agree in writing, subject to the applicable provisions of this Agreement. If the scheduled Closing Date does not fall on a business day, the Closing Date shall be the next business day thereafter.
- 7. Seller's Deliveries. On the Closing Date, provided all conditions and contingencies have been satisfied, Seller shall deposit or cause to be deposited with the Title Company (or deliver to the Buyer, or its designee) the following, each duly executed and notarized, as appropriate:
 - (i) A Warranty Deed, meeting the requirements of this Agreement transferring the real estate to the Buyer;
 - (ii) An ALTA statement and "gap" undertaking in the form customarily required by the Title Company of a seller of property to enable it to issue the Title Policy in accordance with the terms hereof for the Property;
 - (iii) An Affidavit of Title signed by the Seller of the Property in the customary form.
 - (iv) A Bill of Sale for all improvements and fixtures located on the Property, if any, in the customary form.

- (v) All documents necessary to release any mortgages, or liens in the property, if any.
- (vi) Such other documents or deliveries (if any) required pursuant to other provisions of this Agreement, the Closing Escrow, or otherwise reasonably required in order to consummate the transaction contemplated hereby and customarily required by the Title Company of a Seller of property to enable it to issue the Title Policy in accordance with the terms hereof.
- 8. Buyer's Deliveries. On the Closing Date, provided all conditions and contingencies have been satisfied, Buyer shall deposit with Title Company (or deliver to Seller) the following, each dated and duly executed and notarized, as appropriate:
 - (i) All affidavits, indemnities, undertakings and certificates customarily required by the Title Company of a purchaser of property to enable it to issue the Title Policy in accordance with the terms hereof.
 - (ii) The monetary payment due Seller and any additional amounts necessary to pay any costs and fees required to be paid by Buyer less any applicable credits.
 - (iii) Such other documents or deliveries (if any) required pursuant to other provisions of this Agreement, the Closing Escrow, or otherwise reasonably required in order to consummate the transaction contemplated hereby.
- **9. Joint Deliveries.** On the Closing Date, provided all conditions and contingencies have been satisfied, the parties shall jointly deposit with Title Company the following, each dated and duly executed and notarized, as appropriate:
 - (i) Closing Statement.
 - (ii) State and county transfer tax declarations and any required forms completed to establish that the transfers is exempt from any State, County or City real estate transfer taxes that is applicable because the transfer is made by a public entity.
 - **10.** Closing Costs. The Closing costs shall be paid as follows:

By Seller:

- (a) Preparation of the Deeds and documents required of the Seller
- (b) Its legal expenses

By Buyer:

- (a) Preparation of the documents required of the Buyer
- (b) Its legal expenses
- (c) 100% of the Title Company closing escrow fees
- (d) Recording fees for the Deed
- (e) The Survey if requested or required by the Title Company.
- (f) The cost of the Owner's title insurance policy with extended coverage
- (g) Any other closing costs charged to the Buyer that are not otherwise allocated pursuant to this Section.
- **11. No Broker involvement.** The Parties acknowledge that neither party has used a broker.
- 12. Real estate taxes and proration. The City represents that the Property is currently exempt from any property taxes. Any and all prior real estate taxes due for the Property for any period prior to closing, if any, shall be paid by City prior to or at closing. If necessary, the City shall bring to closing a certificate of redemption showing the amount of the real estate taxes owed for payments that were previously due and payable along with any penalties and interest and shall otherwise comply with all the Title Company's requirements pertaining to its payment of any previously due but unpaid real estate taxes.
- 13. Real Estate Transfer Taxes. At closing, the Parties shall execute a completed Real Estate Transfer Declaration in the form required pursuant to the Real Estate Transfer Tax Act of the State of Illinois showing the exchange of properties in this Agreement as being exempt from any State, County, or local real estate transfer taxes.
- 14. Personal property. All personal property and fixtures located on or within real estate, if any, shall be transferred to the Buyer at closing by a Bill of Sale which is in a form that is acceptable to the Buyer.
- 15. Uniform Vendor and Purchaser Risk Act. The provisions of the Uniform Vendor and Purchaser Risk Act of Illinois shall be applicable to this Agreement.
- 16. IRS Section 1445. Each Party represents that it is not a "foreign person" as defined in Section 1445 of the Internal Revenue Code and that it is exempt from the withholding requirements of said Section. Each Party will furnish to the other Party at closing the Exemption Certification set forth in said Section.
- 17. Condition of the Property. Buyer agrees to accept the Property in its "asis" condition, and the City disclaims all warranties express or implied as to the condition of the Property. To the fullest extent permitted by law, the Buyer shall defend, indemnify, and hold harmless the City and its officers, employees, and agents from and against all claims, damages, losses, fines, expenses, costs and attorney's fees arising out of or resulting from the condition of the Property including, but not limited to, any hazardous,

toxic or dangerous substance or material located upon the Property and the remediation, clean-up, and removal of any such hazardous substance located upon the Property.

The covenants and indemnities contained in this Section 17 shall survive the termination of this Agreement and shall not merge with the deed or closing. The responsibility of the Buyer to the City to pursue remediation shall not merge with the deed or closing and shall continue to exist after closing.

- **18. Zoning.** Except as may otherwise be provided by the Redevelopment Agreement for the Property dated October 26, 2020, the Buyer agrees that it shall be required to comply with all the requirements of the City's unified development ordinance for the Buyer's intended use of the Property.
- 19. Redevelopment of the Property. Buyer agrees to redevelop the Property in accordance with and pursuant to the Redevelopment Agreement dated October 26, 2020 by and between the parties.
- **20.** Contingency. Closing is contingent on the City's Corporate Authorities approving a final Redevelopment Agreement with Tax Increment Financing of \$750,000.00 (Seven Hundred Fifty Thousand Dollars), which shall not be used to acquire the Property, and final zoning approvals suitable for Buyer's intended use of the Property.
- 21. Default. If any Party defaults under this Agreement, the other Party may waive the default and proceed to closing, seek specific performance, or refuse to close and cancel this Agreement with both parties being relieved of all further obligations under this Agreement. Except for failure to close on the Closing Date, a Party may not exercise its remedies until after it delivers notice of the alleged default to the other Party and the other Party fails to cure within ten (10) days after receipt of the default notice. The remedies provided herein shall be the sole and exclusive remedies for either Party's default under this Agreement.
 - 22. Time is of the essence. Time is of the essence for this Agreement.
- 23. Notices. All notices herein required shall be in writing and shall be served on the parties at the addresses following their signatures. Except for when delivery of a notice is required, the mailing of a notice by registered or certified mail, return receipt requested, shall be sufficient service.
- 24. Amendment. This Agreement may be amended only by the mutual agreement of the Parties evidenced by a written amendment adopted and executed by the Parties.
- 25. Entire Agreement. This Agreement sets forth all agreements, understandings and covenants between and among the Parties relative to the matters herein contained. This Agreement supersedes all prior written agreements, negotiations and understandings, written and oral, and shall be deemed a full integration of the entire agreement of the Parties.

- **26. Illinois Law.** This Agreement shall be construed its accordance with the laws of the State of Illinois.
- 27. Interpretations. This Agreement has been jointly negotiated by the Parties and shall not be construed against a Party because that Party may have primarily assumed responsibility for the drafting of this Agreement.
- 28. Execution. All the parties to this Agreement represent that they are authorized to enter into this Agreement.

IN WITNESS WHEREOF, the Parties have duly executed this Agreement pursuant to all requisite authorizations on the dates set forth below.

Buyer	CITY
City Hall Suites, LLC 3 Fairway Circle DeKalb, IL 60115	City of DeKalb 164 E. Lincoln Hwy DeKalb, IL 60115
By: John Pappas, Manager	By: Jern Smith, Mayor
Date: 10-30-2020	Date: 10-26-2020
BUYER ATTEST	CITY ATTEST
Stephanie Turner, Admin	Ruth A. Scott, Executive Assistant
1/22/	

EXHIBIT A TO REAL ESTATE PURCHASE AGREEMENT (Legal Description for Property)

The Property is legally described as follows:

DEKALB (ORIGINAL TOWN) - ALL BLOCK 22

PIN: 08-23-305-013

Common Address: 200 S. Fourth Street, DeKalb, IL 60115

EXHIBIT C (of purchasing agreement)
(Zoning Ordinance)

Exhibit C. (of purchasing agreement)

ORDINANCE 2020-066

ADOPTED: OCTOBER 26, 2020

APPROVING THE REZONING OF 200 S. FOURTH STREET, DEKALB, ILLINOIS FROM THE "CBD" CENTRAL BUSINESS DISTRICT TO THE "PD-R" PLANNED DEVELOPMENT – RESIDENTIAL DISTRICT AND THE PLANNED DEVELOPMENT PRELIMINARY PLAN (JOANN DEKALB SUITES).

WHEREAS, the City of DeKalb (the "City") is a home rule unit of local government which may exercise any power and perform any function pertaining to its government and affairs pursuant to Article VII, Section 6, of the Illinois Constitution of 1970; and

WHEREAS, City Hall Suites, LLC (the "Developer") is the contingent contract purchaser of property located at the common address of 200 South Fourth Street and legally described on Exhibit A attached hereto and incorporated herein (the "Property"); and

WHEREAS, Developer has petitioned the City for approval of a zoning map amendment from the "CBD" Central Business District to the "PD-R" Planned Development – Residential District and a Planned Development Preliminary Plan to allow, as amended, for three (3) two-story structures with 57 residential rental units, exercise and recreational facilities, group meeting space, integrated parking and green space on the Property, in accordance with the Preliminary Development Plan attached hereto and incorporated herein as Exhibit B (the "Preliminary Development Plan") and the Planned Development Standards attached hereto and incorporated herein as Exhibit C (the "Planned Development Standards"); and

WHEREAS, pursuant to proper legal notice, a public hearing was conducted by the City's Planning and Zoning Commission on October 5, 2020; and

WHEREAS, the City and Developer have conducted all required public hearings before the City's Planning and Zoning Commission for the rezoning for the Property, and have otherwise satisfied all conditions precedent to the adoption of this Ordinance; and

WHEREAS, the City's Corporate Authorities adopt the findings of fact of the City's Planning and Zoning Commission, find that the proposed rezoning conforms with the applicable zoning factors in the City's Unified Development Ordinance, find that approval of the rezoning for the Property is in the public interest and promotes the public health, safety and welfare, subject to the conditions approved herein, and further find as follows:

STANDARDS FOR ZONING MAP AMENDMENT AND GENERAL STANDARD REQUIREMENTS FOR A PLANNED DEVELOPMENT

 The proposed rezoning conforms to the Comprehensive Plan, or conditions have changed to warrant the need for different types of land uses in that area. The proposed rezoning is appropriate considering the length of time the property has been vacant, as originally zoned, and taking into account the surrounding areas trend in development.

The 2005 Comprehensive Plan recommends the Property for Institutional and Commercial uses. The traffic impacts of the proposed development will be less than an institutional or commercial development. In addition, the proposed development conforms with the recommendations for additional higher quality residential units in the downtown area as outlined in the 2007 Downtown Revitalization Plan, the 2011 Design Guidelines, and the 2013 DeKalb City Center Plan. The proposed rezoning request will allow the development of a site that has an obsolete building and will be an economic benefit to the community and the surrounding neighborhood.

2. The proposed rezoning conforms to the intent and purpose of the Unified Development Ordinance.

The rezoning of the subject property to PD-R provides the opportunity to more directly shape the development, use and appearance of the property in accordance with the City's Comprehensive Plan and Downtown Plans. The Planned Development allows the Developer and the City the flexibility to agree to a development plan and standards. The proposed rezoning request and development comply with the Unified Development Ordinance, except for waivers granted in the development standards.

The proposal also meets the General Standard requirements for a Planned Development as described in Article 5.13.07 of the UDO. There are several adequate and safe access points to the planned development from Grove Street and Franklin Street in the middle of the block with open air parking and enclosed single-car garages, and internal walkways will connect to the existing sidewalks surrounding the site. The traffic impacts of the proposed development will be less than an institutional or commercial development, which has been recommended for the Property, and is not expected to exceed the anticipated capacity of the major street network in the vicinity. As further discussed in these findings, the planned development will not result in an undue burden on public facilities, a detrimental impact on the surrounding area, or a development that is incompatible with the intent of the UDO.

3. The proposed rezoning will not have a significantly detrimental effect on the long-range development of adjacent properties or adjacent land uses.

The proposed rezoning will not have a detrimental effect on the adjacent properties or land uses as it entitles the Property to a use that is complementary with the adjacent area. The proposed use will service a transition from the downtown area to the single-family and two-family residential areas to the east and south. The site previously contained the City of DeKalb Municipal Building, which produced no property taxes. The proposed rezoning request and preliminary/final plan will allow the development of a highly visible block along the S. 4th St. corridor and on the edge of downtown into a development that will meet a housing need in the area, while generating property taxes. The recommended development standards require the submittal of a Final Development Plan prior to the issuance of a building permit that will show all utilities, stormwater management, landscaping and lighting.

4. The proposed rezoning constitutes an expansion of an existing zoning district that, due to the lack of undeveloped land, can no longer meet the demand for the intended land uses.

The Property is currently zoned "CBD" Central Business District. Rezoning the Property to "PD-R" will allow for a well-designed project and the flexibility by the Developer to develop the property in a manner that will complement the surrounding neighborhood.

5. Adequate public facilities and services exist or can be provided.

Adequate public services and utilities are already provided to the Property and will be extended to the four buildings proposed for the site. Based on the number of dwelling units and bedroom count, there are 94 required parking spaces, and 123 spaces will be provided on the site. Adequate walkways and streets surround the site and will accommodate the impacts of the proposed development. There should be no undue burden on schools because the development will consist of one or two bedroom units which will be primarily rented by persons who will not use the schools (e.g., young professionals, transitory professionals, and middle-class retirees); and

WHEREAS, the City's Corporate Authorities find that the rezoning of the Property is in the City's best interests for the protection of the public health, safety, and welfare;

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL of the City of DeKalb, Illinois as follows:

SECTION 1: The recitals to this Ordinance are true, material, adopted and incorporated as Section 1 to this Ordinance.

SECTION 2: The City's Corporate Authorities approve a zoning map amendment from the "CBD" Central Business District to the "PD-R" Planned Development – Residential District and a Planned Development Preliminary Plan in the same or substantially similar form as the Preliminary Development Plan attached hereto and incorporated herein as Exhibit B to allow for three (3) two-story structures with 57 residential rental units, consisting of 49 one-bedroom units and 8 two-bedroom units, exercise and recreational facilities, group meeting space, integrated parking and green space on the Property, in accordance with the Preliminary Development Plan, the Planned Development Standards attached hereto and incorporated herein as Exhibit C, the Developer's representations to the City, the Redevelopment Agreement dated October 26, 2020 by and between the City and the Developer, and the Developer's compliance with the City's Municipal Code, ordinances, regulations and laws.

SECTION 3: The City Manager and his designee are authorized to record this Ordinance in the DeKalb County Clerk and Recorder's Office.

SECTION 4: This Ordinance and each of its terms shall be the effective legislative act of a home rule municipality without regard to whether such ordinance should (a) contain terms contrary to the provisions of current or subsequent non-preemptive state law, or (b) legislate in a manner or regarding a matter not delegated to municipalities by state law. It is the intent of the Corporate Authorities of the City of DeKalb that to the extent that the terms of this Ordinance should be inconsistent with any non-preemptive state law, that this Ordinance shall supersede state law in that regard within its jurisdiction.

SECTION 5: That the City Clerk or Executive Assistant of the City of DeKalb, Illinois, be authorized and directed to attest the Mayor's Signature, and that this Ordinance shall be in full force and effect from and after its passage and approval as provided by law.

ADOPTED BY THE CITY COUNCIL of the City of DeKalb, Illinois at a Regular meeting thereof held on the 26th day of October 2020 and approved by me as Mayor on the same day. Passed on First Reading by an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None. Second Reading waived by an 8-0 roll call vote. Aye: Morris, Finucane, Smith, Perkins, McAdams, Verbic, Faivre, Mayor Smith. Nay: None.

ATTEST:

RUTH A. SCOTT, Executive Assistant

JERRY SMITH, Mayor

(Legal Description of the Property) ordinance

The Property is legally described as follows:

DEKALB (ORIGINAL TOWN) - ALL BLOCK 22

PIN: 08-23-305-013

Common Address: 200 S. Fourth Street, DeKalb, IL 60115

EXHIBIT B (of zoning ordinance) (Preliminary Development Plan)

Preliminary Development Plan (Concept Plan) prepared by Wendler Engineering Services, Inc., dated 10-20-20 (Ex. B-1).

Building One – Architectural Elevations and Floor Plan (Sheets B1 and B1a) prepared by ADG Architectural Management, Inc. (Ex. B-2).

Building Two - Architectural Elevations and Floor Plan (Sheets B2 and B2a) prepared by ADG Architectural Management, Inc. (Ex. B-3).

Architectural Rendering dated 10-22-20 (Ex. B-4).

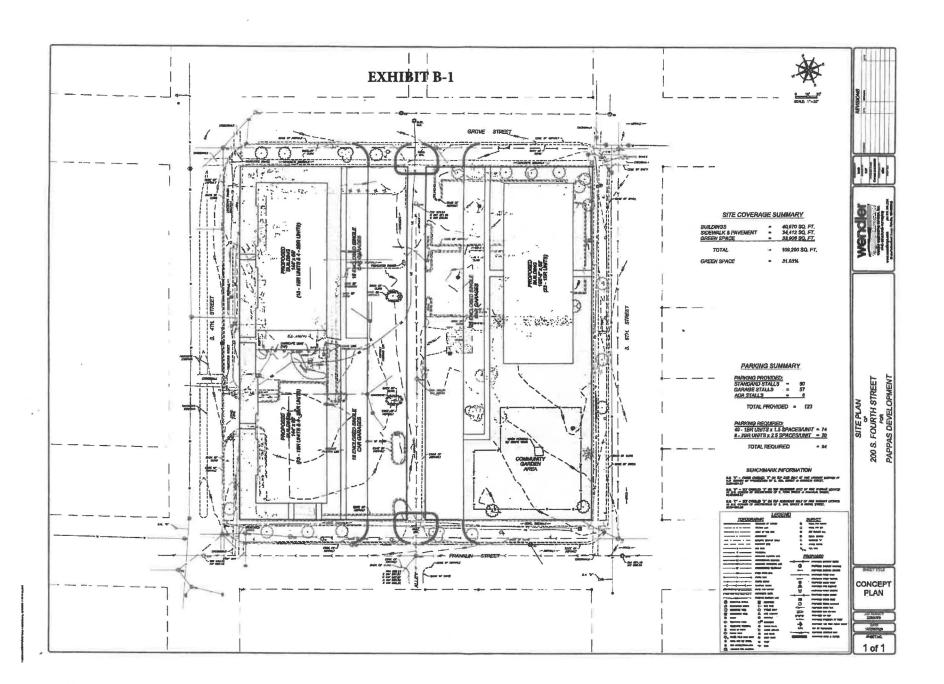


EXHIBIT B-2



BLDG. ONE - ELEVATION SCHEME 3 - 4th street bldg
| 17 units × 2 bldgs = 34 units

Project # 01501
Drawn: MNA-NA
Dote: 03.28.2019
Issue/Revision Date:





Drawing BLDG ONE

B1

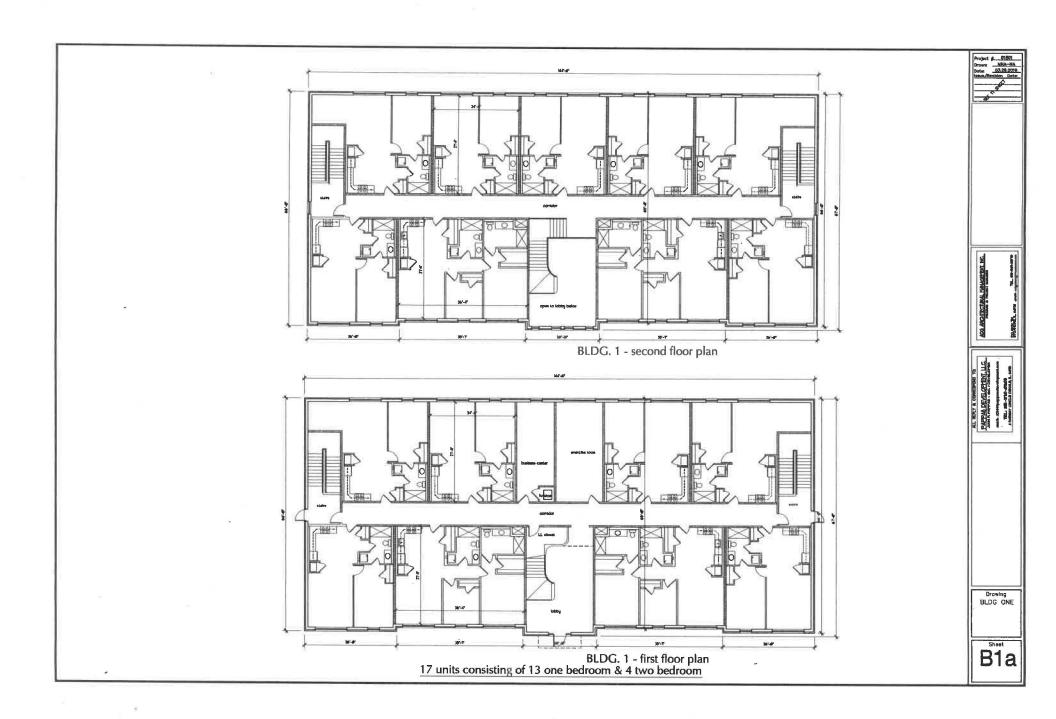


EXHIBIT B-3



BLDG. 2 - ELEVATION SCHEME 3 - 5th street bldg total 23 units consisting of one bedrooms

Project g 01801 Oromo MNA-NA Dote: 03.29.2019 tesse/Revision Dote:

AN ARCHITCHEA PROCESSION NO.

PARPAS DEVELOPERTILLO

Orowing BLDG TWO FRONT ELEVATION

B₂

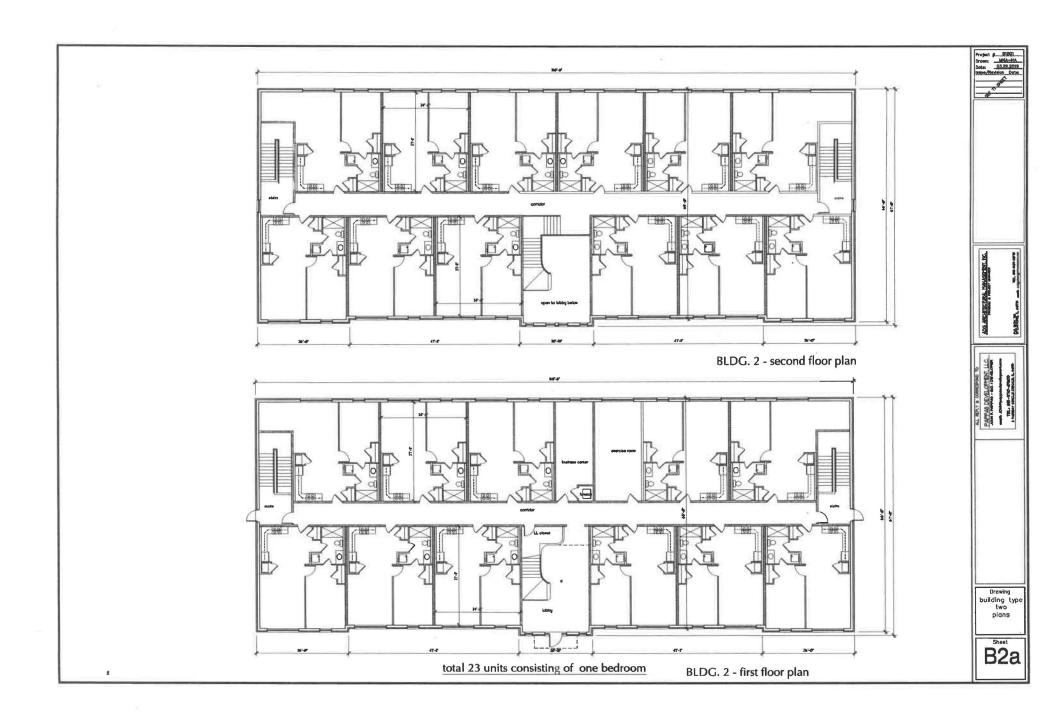




EXHIBIT C (of zohing ordinance) Planned Development Standards

Permitted Uses:

Residential apartments not exceeding a total of 57 residential units, consisting of 49 one-bedroom units and 8 two-bedroom units with the sizes of such units being in substantial compliance with the Floor Plans listed in Exhibit B.

Accessory uses to the residential apartments including, meeting space, exercise and recreational facilities, accessory enclosed parking, storage, and manager's office.

There shall be no commercial uses on the subject property.

Bulk Regulations/Landscaping/Lighting/Parking:

Setbacks, building lines, site coverage, building dimension limitations, height restrictions, parking, landscaping, lighting and other similar restrictions and regulations shall meet those standards as set forth in the "PD-R" District of the UDO except as listed below:

 Density and Buffer Requirements Adjacent to Residential Development shall be as shown on the Preliminary Development Plan listed in Exhibit B.

Prior to a building permit being issued for the site, the following items shall be addressed to the satisfaction of City Staff:

- a. Final Development Plan and Final Plat shall be submitted in a form that is in conformance with the UDO and in substantial compliance with the Preliminary Development Plan and shall be approved by the City Manager with no further review by the Planning and Zoning Commission or City Council.
- b. A lighting (photometric plan) should be submitted meeting the requirements of Article 10.05 of the UDO.
- c. Plat of Vacation for the alley that extends through the site shall be submitted and approved by the City Council per the requirements of the UDO.
- d. Submittal of a Landscape Plan in compliance with the requirements of Article 12.04 of the UDO.

Exhibit D: No Trespass / Patrol Agreement Common Area Patrol / No-Trespass Enforcement Agreement

Property Address: 200 S. Fourth Street Details IL
Commonly Known As: Dohann De Kalb Suites
Property Owner: Cty Home Sutter LC city hall suites
Contact #: 815-970-0905
Property Manager: John Pappas
Contact #: $815 - 970 - 0905$
24 Hour Contact #: SAME_

This Common Area Patrol/No-Trespass Enforcement Agreement ("Agreement") is entered into by and between the Owner of the Property and the City of DeKalb ("City"). Under the terms of this Agreement, the Owner expressly authorizes and requests that the City utilize its Police Department and City Employees to undertake the following actions:

- o No-Trespass Warnings and Arrests: For the purpose of enforcing trespass ordinances and laws, Owner grants permission to the City and the City's employees and agents to undertake any actions that the Owner could lawfully take with regard to persons unlawfully present on any public or private area of the Property including, but not limited to, providing verbal or written no-trespass warnings to any person on the Property other than a tenant of the Property, signing trespass complaints, serving as complaining witnesses, and arresting or citing any person who has violated such a no-trespass warning or who remains on the Property after being asked to leave. The City shall maintain accurate records of all persons who have been advised not to trespass on the Property, and shall provide a copy of the same to Owner upon request.
- o **Patrol Common Areas:** The City and the City's employees and agents are authorized to enter into any common area of the Property that is accessible either to the public or to tenants of the Premises including, but not limited to, parking lots, open spaces, common hallways, gathering areas, or other similar common areas of the Property, for purposes of patrolling, observing, and enforcing the Codes and Ordinances of the City of DeKalb or any applicable State Statutes. This shall not constitute authority for the City to enter into tenant private areas (*e.g.* individual tenant apartments) without required legal authority (*e.g.* a search warrant). The City is authorized to sign complaints, serve as complaining witness, and arrest or cite any person who has violated a State Statute or City Ordinance.

- o **Report Cars for Relocation:** Owner employs the entity described at signs posted at the Property for purposes of relocating unlawfully parked cars from the Property (and Owner shall maintain such postings in accordance with City Code). The City is authorized and requested to contact the tow relocator to report any vehicles on the Property that appear to be unlawfully parked, so that said vehicles may be towed in accordance with applicable regulations.
 - o **Provisions of Development Agreement:** Owner shall permit and consent to the conduct of any access or inspection authorized under the terms of any Development Agreement entered into by Owner and the City which is recorded against the Property of public record.

The Owner agrees that, if necessary, Owner or its authorized representative shall appear at any trial or proceeding arising out of the performance of this Agreement. Owner acknowledges that it is solely responsible for the condition and monitoring of its Property, and this Agreement does not impose any duty upon the City whatsoever or to provide any police protection or service under this Agreement for the benefit of the Owner or others. Nothing in this Agreement shall preclude the City from asserting any applicable immunities under State and Federal law. Owner further agrees to defend, indemnify, and hold harmless the City and the City's officers, agents, and employees from any and all claims, liabilities, losses, damages, costs, expenses, and reasonable attorney's fees arising out of this Agreement.

The City agrees that it shall provide notice to the Owner of any legal violations occurring on the Property upon request and in accordance with the requirements of City Code. Owner shall post appropriate signage on the Property advising that its common areas including, but not limited to, parking lots and open areas, are posted for No Trespassing, and appropriate signage advising of any parking restrictions for vehicles in its parking lots. Owner is encouraged to post additional signage advising that the Police Department may engage in regular patrols of common areas.

This Agreement shall remain in full force and party. Notices shall be delivered to Owner at 164 E. Lincoln Hwy., DeKalb, Illinois, 60115, A	the address listed above, or to the himself
Agreed this 26th day of October,	2020
ATTEST:	CITY OF DEKALB
By: Ruth A. Scott, Exec. Aget.	By: Jerry Smith, Mayor
ATTEST:	CITY HALL SUITES, LLC
By: Stephanie Turner, Admin	By: John F. Pappas, Manager
HSST-	

EXHIBIT E Project Cost Documentation Requirements

- Applicants/Recipients are responsible for identifying and complying with all applicable laws, ordinances and regulations.
- The Parties acknowledge that the funding contemplated under this Agreement is provided exclusively through either a Tax Increment Financing District, and is provided exclusively for the purpose of funding private improvements. Accordingly, while the Developer is solely responsible for complying with the applicable provisions of the Illinois Prevailing Wage Act, pursuant to the guidance issued by the Illinois Department of Labor, the City shall not require the Developer to provide certified payroll records unless the Developer determines that such records are required under the Prevailing Wage Act. The Developer shall indemnify, defend and hold harmless the City from any claims arising out of the alleged Developer violation of the Prevailing Wage Act with respect to this Agreement or the Property.
- Final waivers of lien must be provided for all contractors, suppliers and materialmen. All payments associated with the purchase of real property or payment of contractors, subcontractors or materialmen providing services to the Property in connection with this Agreement, which are intended to be included in Project Completion Costs or which are intended to be eligible for payment through the Development Incentive must be paid through a title company acceptable to the City of DeKalb where the cost associated with such payment exceeds \$5,000.
- Final Project Costs must be documented in a tabbed binder in accordance with these regulations.
 - o The first section must include a notarized affidavit from the Applicant affirming that all information provided is complete and accurate, and affirming that all work was done in accordance with these Guidelines and all applicable laws.
 - o The second section must include a spreadsheet generated by the Applicant, including all project costs that are a component of the project, broken down by vendor. All amounts listed in this spreadsheet must match the corresponding contractor invoices described below.
 - If property acquisition is included in the project costs, the third section must include a copy of the closing statement and deed for the property.
 - Subsequent sections should be separately tabbed by contractor. Each contractor tab should start with a spreadsheet generated by the Applicant that includes the totals from each invoice, and should be followed by a complete set of prevailing wage records, final waivers of lien, and invoices.

- Applicants may include a Miscellaneous Expenses tab in the binder for small project expenses.
- o Credit Card Statements are not adequate to evidence expenditures. All small expenditures require actual receipts showing the expenditures. The City reserves the right to require Applicants to provide written documentation explaining any expenditure.
- o Building permits are eligible expenditures. Ineligible expenditures include: food, fuel, beverages, utility bills, web design, merchandise for stock or supply, membership dues, life insurance, or other personal expenses. The City reserves the right to disqualify any expense.
- Once an invoice is submitted, the invoice cannot be withdrawn or retracted, and the scope of work described on the invoices cannot be altered.
- The City shall also be provided with an electronic copy of all submittals, in PDF format, separated into sections as outlined above.

GROUP EXHIBIT FForm of Promissory Note and Mortgage

(This space is intentionally omitted)

PROMISSORY NOTE for City Hall Suites LLC

\$750,000.00 DeKalb, Illinois October 26, 2020

After October 26, 2020, for value received, City Hall Suites LLC promises to pay to the order of the City of DeKalb (the "City"), \$750,000.00 (Seven Hundred Fifty Thousand Dollars and Zero Cents) on October 26, 2020 with interest from the date of this instrument at the rate of 0% per year with interest payable from the date of this instrument and with interest computed always on the diminishing and unpaid principal balances of the debt, if any, evidenced by this instrument. All sums of principal and interest due will be payable at the City of DeKalb, 164 E. Lincoln Hwy., DeKalb, Illinois 60115, or at any other place as payee or holder may specify in writing.

The indebtedness evidenced by this instrument may be prepaid in whole or in part at any time without penalty or premium for prepayment.

This note is secured by a mortgage given under the same date as this instrument; and all persons to whom this instrument may come are referred to the mortgage for its effect on this note and the application of the amounts paid pursuant to the mortgage, for the procuring of releases of property from its lien on the indebtedness evidenced by this instrument.

This note has also been made pursuant to a Redevelopment Agreement between the City and City Hall Suites LLC dated October 26, 2020 (the "Redevelopment Agreement") and is subject to those terms of said Redevelopment Agreement; which terms provide that the principal amount of this note may be reduced or forgiven retroactive to the date of the issuance of this note as provided in the terms of the Redevelopment Agreement. The terms of the Redevelopment Agreement are incorporated herein as if they were fully set forth as part of this Note.

City Hall Suites LLC waives demand, presentment for payment, protest, and notice of nonpayment and of dishonor. City Hall Suites LLC agrees to pay reasonable attorney's fee, including reasonable appellate court fees, if any, if this note is placed in the hands of an attorney for collection after default.

Stephanie Turner, Admin Seef City Hall Suites LLC.

By:

John F. Pappas, Manager

STATE OF ILLINOIS)) ss. COUNTY OF DEKALB)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that John F. Pappas, personally known to me to be the same person whose name is subscribed to the foregoing Promissory Note as the Manager of City Hall Suites LLC, appeared before me this day in person, and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act as the authorized agent of City Hall Suites LLC, for the uses and purposes therein set forth.

Given under my hand and official seal and sworn to before me this 30 th day

of Cotober, 2020

Notary Public

OFFICIAL SEAL RUTH A SCOTT NOTARY PUBLIC, STATE OF ILLINOIS My Commission Expires July 24, 2022

Resolution 2020-115

alt. S

Mortgage to be recorded separately. (Pages 24 – 33)



2020013301

DOUGLAS J. JOHNSON RECORDER - DEKALB COUNTY, IL

RECORDED: 12/10/2020 02:52 PM REC FEE: 56.00 RHSPS FEE: 9.00

PAGES: 12

MORTGAGE

THIS DOCUMENT IS BEING RE-RECORDED TO PUT IN THE CORRECT RECORDING ORDER



DOUGLAS J. JOHNSON RECORDER - DEKALB COUNTY, IL RECORDED: 11/13/2020 08:42 AM REC FEE 55.00

PAGES: 11

MORTGAGE

Dated: October 26, 2020

City Hall Suites LLC (Mortgagor) and the City of DeKalb (Mortgagee)

Commonly known as: 200 S. Fourth Street, DeKalb County, Illinois 60115

PIN: 08-23-305-013

Prepared by and Return to:

Matt Rose, City Attorney Attention: City Manager's Office City of DeKalb 200 S. Fourth Street DeKalb, Illinois 60115

(Resolution 2020-115)

MORTGAGE

RETURN TO: City Manager City of DeKalo 164 E Uncon Hwy. DeKalo, IL 60115

Future Advances Mortgage Maximum Value: \$750,000.00

THIS MORTGAGE, dated this 26th day of October, 2020, by City Hall Suites LLC ("Mortgagor"), **WITNESSETH**:

Whereas, Mortgagor has executed a Promissory Note in the principal sum of Seven Hundred Fifty Thousand Dollars and Zero Cents (\$750,000.00) payable to the City of DeKalb ("Mortgagee"), dated the same date as this Mortgage, whereby Mortgagee is entitled to recover from Mortgagor certain expenses, costs, and advances in connection with Mortgagor's development work on the Premises as defined below and Property as defined within that certain Redevelopment Agreement executed on October 26, 2020 and recorded against the Premises as legally described in Exhibit A attached hereto and incorporated herein by reference;

THAT to secure the payment of the indebtedness evidenced by said Promissory Note, Mortgagor does by these presents GRANT and MORTGAGE unto Mortgagee, the real estate situated in the County of DeKalb, and State of Illinois, legally described as follows on Exhibit 1, which is attached hereto and incorporated herein by reference, and which is referred to herein as the "Premises":

Together with all improvements, tenements, hereditaments, easements and all types and kinds of furniture, fixtures and equipment whether now on the premises or hereafter erected, installed or placed thereon or therein, or whether physically attached thereto or not, are and shall be deemed a part of said real estate as between the parties hereto and all persons claiming by, through or under them, and a portion of the security for said indebtedness; and also all the estate, right, title and interest of Mortgagor in and to the premises; and

Further, Mortgagor does hereby pledge and assign to Mortgagee, from and after the date hereof, primarily and on a parity with said real estate and not secondarily, all the rents, issues and profits of the premises and all rents, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits or money as advance rent or for security, under any and all present and future leases of the premises, and does hereby transfer and assign all such leases to Mortgagee together with the right, but not the obligation, to collect, receive and receipt for all avails thereof, to apply then to said indebtedness and to demand, sue for and recover the same when due or payable.

Mortgagee by acceptance of the Mortgage agrees, as a personal covenant applicable to Mortgagor only, and not as a limitation or condition hereof and not available to any lessee or tenant, that until a default shall be made or an event shall occur, when under the terms hereof shall give to Mortgagee the right to foreclose this Mortgage, Mortgagor may collect, receive and enjoy such avails.

TO HAVE AND TO HOLD the premises unto Mortgagee, their successors, and assigns, forever, for the purposes and uses herein set forth.

NOTICE: THIS MORTGAGE SECURES TOTAL CREDIT IN THE AMOUNT OF \$750,000.00, AND IS CONSTRUED IN CONNECTION WITH THE OBLIGATIONS OF MORTGAGOR AS OWNER UNDER THAT CERTAIN REDEVELOPMENT AGREEMENT ("REDEVELOPMENT AGREEMENT") RECORDED AGAINST THE PREMISES PRIOR TO THE DATE OF THIS MORTGAGE. LOANS, PAYMENTS, CREDITS AND ADVANCES UP TO THIS AMOUNT, TOGETHER WITH ANY OTHER AMOUNTS OR OTHER OBLIGATIONS OF MORTGAGOR/OWNER UNDER THIS MORTGAGE OR THE REDEVELOPMENT AGREEMENT ARE SENIOR TO INDEBTEDNESS TO OTHER CREDITORS UNDER SUBSEQUENTLY RECORDED OR FILED MORTGAGES AND LIENS, UNLESS AND UPON THE CITY'S SUBORDINATION OF **MORTGAE** LIEN AS **PROVIDED** THIS IN REDEVELOPMENT AGREEMENT. THIS MORTAGE HAS BEEN PROVIDED TO SECURE THE REPAYMENT OF **OBLIGATIONS OF THE REDEVELOPMENT** AGREEMENT, INCLUDING BUT NOT LIMITED TO, REPAYMENT OF A DEVELOPMENT INCENTIVE.

Maximum Obligation Limit: The total amount of secured debt secured by this Mortgage at any one time shall not exceed the amount stated above. This limitation does not include loan charges, commitment fees, attorney's fees and other charges validly made pursuant to this Mortgage and does not apply to advances (or interest accrued on such advances) made under the terms of this Mortgage to protect Mortgagee's security and to perform any of the covenants contained in this Mortgage or the Development Agreement. Future advances are contemplated and, along with other future obligations, are secured by this mortgage even though all or part may not yet be advanced. Nothing contained in this Mortgage shall constitute an irrevocable commitment to make additional or future loans or advances in any amount, and no commitment to future advances, whether contained herein or in the Development Agreement, shall create any right of or liability to any third party not identified expressly herein.

The debt secured by this Mortgage includes, but is not limited to:

- A) The promissory note, guaranty, obligations of Mortgagor under the Redevelopment Agreement and all extensions, renewals, modifications or substitutions thereof to City Hall Suites LLC, with a note amount of \$750,000.00 (collectively, the "Evidence of Debt").
- B) All future advances from Mortgagee to Mortgagor or other future obligations

of Mortgagor to Mortgagee under any promissory note, development agreement, contract, guaranty or other evidence of debt existing now or executed after this Mortgage whether or not this Mortgage is specifically referred to in the Evidence of Debt and whether or not such future advances or obligations are incurred for any purpose that was related or unrelated to the purpose of this Mortgage or the Evidence of Debt.

- C) All obligations Mortgagor owes to Mortgagee, which now exist or may later arise, to the extent not prohibited by law including, but not limited to, any obligation under the Development Agreement such as obligations to defend and indemnify and obligations relating to the Owner Escrow as defined therein.
- D) Any additional sums advanced and expenses incurred by Mortgagee for insuring, preserving or otherwise protecting the Premises and Property and its value and any other sums advanced or expenses incurred by the Mortgagee under the terms of this Mortgage, plus interest (where applicable), as provided in the Evidence of Debt and Redevelopment Agreement.
- E) Mortgagor's performance under the terms of any instrument evidencing a debt by Mortgagor to Mortgagee and any Mortgage securing, guarantying or otherwise relating to a debt.

Mortgagor covenants and agrees:

- 1. To pay or cause to be paid, when due, all sums secured hereby as further defined and governed by the Redevelopment Agreement.
- 2. Not to abandon the premises; to keep the premises in good condition and repair and not to commit or suffer waste; to pay for and complete within a reasonable time any building at any time in the process of erection upon the premises; to promptly repair, restore or rebuild any building or improvement now or hereafter on the premises which may become damaged or destroyed; to refrain from impairing or diminishing the value of the security; to make no material alterations of the premises.
- 3. To comply with all requirements of law or local government ordinances governing the premises and the use thereof; and to permit Mortgagee, or their agents, to inspect the premises at all reasonable times.
- 4. To keep the premises free from mechanics, or other liens or claims for liens of any kind; to pay or cause to be paid, when due, any indebtedness which may be secured by a lien or charge on the premises; and, upon receipt, to exhibit to Mortgagee satisfactory evidence of the payment and discharge of such liens or claims.

- To pay, or cause to be paid, before any penalty attaches, all general taxes and to pay, or cause to be paid, when due, all special taxes, special assessments, water charges, drainage charges, sewer service charges and other charges against the premises, of any kind whatsoever, which may be levied, assessed, charged or imposed on the premises, or any part thereof.
- 6. To promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal or local law or regulation hereafter passed, against Mortgagee upon this Mortgage or the debt hereby secured, or upon their interest under this Mortgage.
- 7. To exhibit to Mortgagee, annually upon request, official receipts showing full payment of all taxes, assessments and charges which Mortgagor is required, or shall elect, to pay or cause to be paid hereunder.
- 8. To keep the premises continuously insured, until the indebtedness secured hereby is fully paid against loss or damage under such types of hazard and liability insurance and in such forms, amounts and companies as may be reasonably approved or required from time to time by Mortgagee (in the absence of any specified requirements, such insurance shall be under policies providing for payment by the insurance companies of moneys sufficient either to pay the full cost of replacing or repairing the premises or to pay in full the indebtedness secured hereby); all policies whether or not required by the terms of this Mortgage, shall contain loss payable clauses in favor of Mortgagee (or, in case of foreclosure sale, in favor of the owner of the certificate of sale); in the event of loss, Mortgagor shall immediately notify Mortgagee in writing and Mortgagor hereby authorizes and directs each and every insurance company concerned to make payments for such loss directly and solely to Mortgagee (who may, but need not, make proof of loss) and Mortgagee is hereby authorized to adjust, collect and compromise. in their discretion, all claims under all policies, and Mortgagor shall sign, upon demand by Mortgagee, all receipts, vouchers and releases required by the insurance companies and the insurance proceeds, or any part thereof, may be applied by Mortgagee, at their option, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged, and any application thereof to the indebtedness shall not relieve Mortgagors from making the payments herein required until the indebtedness is paid in full. Mortgagee may, from time to time, at their option, waive and, after any such waiver, reinstate any or all provisions hereof requiring deposit of insurance policies, by notice to Mortgagor in writing.
- 9. (a) To deliver to Mortgagee, all policies of insurance with evidence of premiums prepaid (renewal policies to be delivered not less than ten (10) days prior to the respective dates of expiration), and all abstracts

of title, title guarantee policies, and other evidence of title to the premises, all of which shall be held by Mortgagee without liability, and in the event of foreclosure of this Mortgage or transfer of title to the premises in extinguishment of said indebtedness, shall become the absolute property of Mortgagee.

(b) IF ALL OR ANY PART OF THE PREMISES OR AN INTEREST THEREIN IS SOLD OR TRANSFERRED BY MORTGAGOR WITHOUT MORTGAGEE'S PRIOR WRITTEN CONSENT. MORTGAGEE MAY, AT MORTGAGEE'S OPTION, DECLARE ALL SUMS SECURED BY THIS MORTGAGE TO BE IMMEDIATELY DUE AND PAYABLE, MORTGAGEE SHALL HAVE WAIVED SUCH OPTION TO ACCELERATE IF. PRIOR TO THE SALE OF TRANSFER, MORTGAGEE AND THE PERSON TO WHOM THE PREMISES IS TO BE SOLD OR TRANSFERRED REACH AGREEMENT IN WRITING THAT THE CREDIT OF SUCH PERSON IS SATISFACTORY TO MORTGAGEE AND THAT THE INTEREST PAYABLE ON THE SUMS SECURED BY THIS MORTGAGE SHALL BE AT SUCH RATE AS MORTGAGEE SHALL REQUEST, IF MORTGAGEE HAS WAIVED THE OPTION TO ACCELERATE.

IF MORTGAGEE EXERCISES SUCH OPTION TO ACCELERATE, MORTGAGEE SHALL MAIL MORTGAGOR NOTICE OF ACCELERATION. SUCH NOTICE SHALL PROVIDE A PERIOD OF NOT LESS THAN THIRTY (30) DAYS FROM THE DATE THE NOTICE IS MAILED WITHIN WHICH MORTGAGOR MAY PAY THE SUMS DECLARED DUE. IF MORTGAGOR FAILS TO PAY SUCH SUMS PRIOR TO THE EXPIRATION OF SUCH PERIOD, MORTGAGEE MAY, WITHOUT FURTHER NOTICE OR DEMAND ON MORTGAGOR, INVOKE ANY REMEDIES PERMITTED BY THIS MORTGAGE.

THE REQUIREMENT OF MORTGAGEE'S CONSENT PRIOR TO ANY TRANSFER SHALL INCLUDE ALL LEGAL INTEREST OF MORTGAGOR IN THE PREMISES. SAID REQUIREMENT EXTENDS TO CONTRACTS FOR DEED, TRANSFERS TO LAND TRUSTS OR OTHER TRUSTS (EVEN THOUGH MORTGAGOR OR ANY OF THEM ARE BENEFICIARIES THEREIN), AND ASSIGNMENTS OF BENEFICIAL INTERESTS IN LAND TRUSTS AND OTHER TRUSTS.

10. In the event of default in performance of any Mortgagor's covenants or agreements herein contained, Mortgagee may, but need not, make any payment or perform any act hereinbefore required of Mortgagor, in any form and manner deemed expedient, and may, but need not, make full or partial payments of principal or interest on prior encumbrances, if any, and purchase, discharge, compromise or settle any tax lien or any other lien, encumbrance, suit title or claim thereof, or redeem from any tax sale or forfeiture affecting the premises or contest any tax or assessment. All monies paid for any of the purposes herein authorized and all expenses paid or incurred in connection therewith, including attorney's fees, and any other monies advanced by Mortgagee to protect the premises and the lien hereof shall be so much additional indebtedness secured hereby and shall be come immediately due and payable without notice. Mortgagee, making any payment hereby authorized relating to taxes or assessments, shall be the sole judge of the legality and validity thereof and of the amount necessary to be paid in satisfaction thereof.

- 11. If (a) default be made in payment, when due, of any sum secured hereby. or in any of the other covenants or agreements herein contained to be performed by Mortgagor herein or in the Agreement, or (b) if any proceedings be instituted or process issued (i) to enforce any other lien, charge or encumbrance against the premises, or (ii) to condemn the premises or any part thereof for public use, or (iii) against Mortgagor or any beneficiary thereof under any bankruptcy or insolvency laws, or (iv) to place the premises or any part thereof in the custody of any court through their receiver or other officer, and such proceedings are not dismissed or staved on appeal or such process withdrawn within Ten (10) days after written notice to Mortgagor; or (c) if Mortgagor makes any assignment for the benefit of creditors, or are declared bankrupt, or if by or with the consent or at the instance of proceedings to extend the time of payment of the Note or to change the terms of this Mortgage be instituted under any bankruptcy or insolvency law; then:
 - (a) All sums secured hereby shall, at the option of Mortgagee, become immediately due and payable without notice, with interest thereon, from the date of the first of any such defaults, at the penalty rate; and
 - (b) Mortgagee may immediately foreclose this Mortgage. The Court in which any proceedings is pending for that purpose may, at once or any time thereafter, either before or after sale, without notice to Mortgagor, and without requiring bond, and without regard to the solvency or insolvency of any person liable for payment of the indebtedness secured hereby, and without regard to the then value of the premises, or whether the same shall be occupied as a Homestead, appoint a receiver (the provisions for the appointment of a receiver and assignment of rents being an express condition upon which the loan hereby secured is made), for the benefit of Mortgagee or place Mortgagee in possession under the terms of the applicable statute of the State of Illinois, with power to collect the rents, issues and profits of the premises, due and to become due,

during such foreclosure suit and the full statutory period of redemption notwithstanding any redemption. The receiver or Mortgagee in possession, out of such rents, issues and profits when collected, may pay costs incurred in the management and operation of the premises, prior and coordinate liens, if any, and taxes, assessments, water and other utilities and insurance, then due or thereafter accruing, and may make and pay for any necessary repairs to the premises, and may pay all or any part of the indebtedness secured hereby or any deficiency decree; and

- (c) Mortgagee shall, at its option, have the right, acting through itself, its agents or attorneys, with process of law, to enter upon and take possession of the premises and property, expel and remove any persons, goods or chattels, occupying or upon the same, and to collect or receive all the rents, issues and profits thereof, and to manage and control the same, and to lease the same or any part thereof from time to time, and after deducting all reasonable attorney's fees and all operation of the premises, apply the remaining net income upon the indebtedness secured hereby, or upon any deficiency decree entered by virtue of any sale held pursuant to a decree of foreclosure.
- 12. In any foreclosure of this Mortgage, there shall be allowed and included in the decree for sale, in the event Mortgagor successfully obtains a judgment of foreclosure, to be paid out of the rents or proceeds of such sale, or by the Mortgagee, as the case may be, and only payable to the prevailing party in any such foreclosure action:
 - (a) All principal and interest remaining unpaid and secured hereby;
 - (b) All other items advanced or paid by Mortgagee pursuant to this Mortgage with interest at the penalty rate from the date of advancement:
 - (c) All court costs and fees, attorneys' fees, appraiser's fees, expenditures for documentary and expert evidence, stenographer's charges, publication costs and coats (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title guarantee policies, and similar data with respect to title, as Mortgagee may deem necessary. All expenditures and expenses of the type mentioned in this subparagraph I shall become so much additional indebtedness secured hereby and immediately due and payable, with interest at the same rate as shall accrue on the principal balance when paid or incurred by Mortgagee, in connection with (i) any proceedings, including probate and bankruptcy proceedings to which

Mortgagee shall be a party, either as plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (ii) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (iii) preparations for the defense of security hereof, whether or not actually commenced. The proceeds of any foreclosure sale shall be distributed and applied to the items described in subparagraph (a), (b) and (c) in order of priority inversely to the manner in which said subparagraphs are above listed and any surplus of the proceeds of such sale be paid to Mortgagor.

- 13. No remedy or right of mortgagee shall be exclusive of, but shall be in addition to, every other remedy or right now or hereafter existing at law or in equity. No delay in exercising, or omission to exercise, any remedy or right accruing on default shall impair any such remedy or right, or shall be construed to be a waiver of any such default, or acquiescence therein, nor shall it affect any subsequent default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee.
- 14. Without affecting the liability of Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing, Mortgagee may, at any time and from time to time, either before or after the maturity of said note, and without notice or consent:
 - (a) Release any person liable for payment of all or any part of the indebtedness or for performance of any obligation.
 - (b) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof.
 - (c) Exercise or refrain from exercising or waive any right Mortgagee may have.
 - (d) Accept additional security of any kind.
 - (e) Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the property mortgaged hereby.

- 15. Upon full payment of all sums secured hereby at the time and in the manner provided, then this conveyance shall be null and void and within thirty (30) days after written demand therefor a re-conveyance or release of the premises shall be made by Mortgagee to Mortgagor.
- All provisions hereof shall inure to and bind the respective heirs, executors, administrators, successors, vendees and assigns of the parties hereto, and the word "Mortgagor" shall include all persons claiming under or through Mortgagor and all persons liable for the payment of the indebtedness or any part hereof, whether or not such persons shall have executed the Note or this Mortgage. Whenever used, the singular number shall include the plural, and the plural the singular, and the use of any gender shall be applicable to all genders.
- 17. That this Mortgage cannot be changed except by an agreement in writing, signed by the party against whom enforcement of the change is sought.
- 18. This lien may be subordinated with the written consent of the City Manager.

IN WITNESS WHEREOF, Mortgagor has executed this Mortgage the day and year first above written.

ATTEST:

By: Stephanie Turner, Admin.

Stephanie Turner, Admin.

STATE OF ILLINOIS

) ss

COUNTY OF DEKALB

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that John F. Pappas, personally known to me to be the same person whose name is subscribed to the foregoing instrument as the Manager of City Hall Suites LLC, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act as the authorized agent of City Hall Suites LLC, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 30 day of Octobe v , 2020.

Notary Public

Exhibit 1 to Mortgage (Legal Description of the Property)

The Property is legally described as follows:

DEKALB (ORIGINAL TOWN) – ALL BLOCK 22

PIN 08-23-305-013

Common Address: 200 S. 4th St., DeKalb, IL 60115





164 East Lincoln Highway
DeKalb, Illinois 60115
815.748.2000 • cityofdekalb.com

December 3, 2020

Ms. Dana L. Gammeri American Title Guaranty, Inc. 2045 Aberdeen Court, Ste. B Sycamore, Illinois 60178

Dear Ms. Gammeri:

As per City Attorney Matt Rose, enclosed please find the mortgage document that was recorded by the City of DeKalb for the Pappas property at 200 S. Fourth Street, DeKalb, Illinois.

At your earliest convenience, please forward a copy of the rerecorded document to my attention via email at ruth.scott@citvofdekalb.com for the City's records.

Please feel free to contact me if I can be of further assistance.

Sincerely,

Ruth A. Scott
Executive Assistant

Scott, Ruth

From:

Matthew Rose <mrose@drlawpc.com>

Sent:

Tuesday, November 24, 2020 9:25 AM

To:

Scott, Ruth

Subject:

RE: City Hall Suites/200 S. 4th St

Follow Up Flag:

Follow up

Flag Status:

Flagged

[NOTICE: This message originated outside of the City Of DeKalb mail system -- DO NOT CLICK on links or open attachments unless you are sure the content is safe.]

Correction, the original of the recorded mortgages need to be sent to the title company (Attn: Dana Gammeri, American Title Guaranty, Inc, 2045 Aberdeen Ct, Ste B, Sycamore, IL 60178) for re-recording. If necessary, I can hand deliver them next Monday.

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone)

From: Matthew Rose

Sent: Tuesday, November 24, 2020 9:11 AM

To: Scott, Ruth < Ruth. Scott@CITYOFDEKALB.com>

Subject: City Hall Suites/200 S. 4th St

Ruth, at your convenience, please send me a copy of the recorded mortgages for the 200 S. 4th St. property. Thank you. Hope you're enjoying our snow!

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone)

Scott, Ruth

From:

Matthew Rose <mrose@drlawpc.com>

Sent:

Wednesday, December 2, 2020 4:16 PM

To:

Scott, Ruth

Subject:

RE: Pappas purchase - Nov. 23?

[NOTICE: This message originated outside of the City Of DeKalb mail system -- DO NOT CLICK on links or open attachments unless you are sure the content is safe.]

Yes, please do. Thank you!

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone)

From: Scott, Ruth [mailto:Ruth.Scott@CITYOFDEKALB.com]

Sent: Wednesday, December 02, 2020 4:15 PM
To: Matthew Rose <mrose@drlawpc.com>
Subject: RE: Pappas purchase - Nov. 23?

Yes - finally! The recorders office sent it to the old address. Do you want me to mail it to them?

From: Matthew Rose <mrose@drlawpc.com>
Sent: Wednesday, December 2, 2020 4:14 PM
To: Scott, Ruth <Ruth.Scott@CITYOFDEKALB.com>

Subject: FW: Pappas purchase - Nov. 23?

[NOTICE: This message originated outside of the City Of DeKalb mail system -- DO NOT CLICK on links or open attachments unless you are sure the content is safe.]

Ruth, did we receive a copy of the recorded mortgage for the old City Hall? Thanks.

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone)

From: Dana Gammeri [mailto:dgammeri@myamericantitle.com]

Sent: Wednesday, December 02, 2020 3:55 PM

To: Matthew Rose <mrose@drlawpc.com>; Jeffrey Lewis <ilewis@kleinstoddard.com>

Cc: Susan Johnson <sjohnson@myamericantitle.com>

Subject: RE: Pappas purchase - Nov. 23?

Hi Matt, just wondering if you have located the recorded mortgage with the City of DeKalb. I can't record the documents from the closing until I get that back. Please let me know the status. Thank you, Dana

Dana L Gammeri

Title Services Representative

American Title Guaranty, Inc.

2045 Aberdeen Ct, Ste B Sycamore, IL 60178 815-756-3611 815-748-5249 fax

From: Matthew Rose < mrose@drlawpc.com > Sent: Tuesday, November 24, 2020 9:21 AM

To: Dana Gammeri dgammeri@myamericantitle.com; Jeffrey Lewis jlewis@kleinstoddard.com

Cc: Susan Johnson <siohnson@myamericantitle.com>

Subject: RE: Pappas purchase - Nov. 23?

Thank you.

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone)

From: Dana Gammeri [mailto:dgammeri@myamericantitle.com]

Sent: Tuesday, November 24, 2020 9:21 AM

To: Matthew Rose <mrose@drlawpc.com>; Jeffrey Lewis <jlewis@kleinstoddard.com>

Cc: Susan Johnson < sjohnson@myamericantitle.com >

Subject: RE: Pappas purchase - Nov. 23?

I will need the original mortgage that was recorded on 11/13. The county should have returned it to your attention last week. Please do not change anything on that mortgage. I do see that the "return to" on the document is 200 S Fourth St so it may have to go thru the forwarding process. We will then put a "recorder's note" on that mortgage stating why it is being re-recorded. We will cover the cost of the re-recorded since we missed this in the gap period.

Dana L Gammeri
Title Services Representative
American Title Guaranty, Inc
2045 Aberdeen Ct, Ste B
Sycamore, IL 60178
815-756-3611
815-748-5249 fax

From: Matthew Rose <mrose@drlawpc.com>
Sent: Tuesday, November 24, 2020 9:17 AM

To: Dana Gammeri dgammeri@myamericantitle.com; Jeffrey Lewis lewis@kleinstoddard.com

Cc: Susan Johnson <sjohnson@myamericantitle.com>

Subject: RE: Pappas purchase - Nov. 23?

Dana, please excuse my confusion, but do you want the original copy of the recorded mortgages or the original of an (amended) mortgage to be executed by the parties and then recorded by you? Thanks.

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone)

From: Dana Gammeri [mailto:dgammeri@myamericantitle.com]

Sent: Tuesday, November 24, 2020 9:11 AM

To: Matthew Rose < mrose@drlawpc.com >; Jeffrey Lewis < jlewis@kleinstoddard.com >

Cc: Susan Johnson < sjohnson@myamericantitle.com >

Subject: RE: Pappas purchase - Nov. 23?

OK, thank you. Please be sure to send the City of DeKalb mortgage to our office for re-recording because we have to take it with the other documents that we are holding so that it all gets recorded in the correct order

Dana L Gammeri
Title Services Representative
American Title Guaranty, Inc
2045 Aberdeen Ct, Ste B
Sycamore, IL 60178
815-756-3611
815-748-5249 fax

From: Matthew Rose < mrose@drlawpc.com > Sent: Tuesday, November 24, 2020 9:09 AM

To: Dana Gammeri < dgammeri@myamericantitle.com >; Jeffrey Lewis < jlewis@kleinstoddard.com >

Cc: Susan Johnson <sjohnson@myamericantitle.com>

Subject: RE: Pappas purchase - Nov. 23?

Thank you Dana. I will work on the re-recording. Jeff will need to send me the bank's subordination agreement. Hope everyone has a happy Thanksgiving.

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702

Rosemont, IL 60018 312.541.1078 (Phone)

From: Dana Gammeri [mailto:dgammeri@myamericantitle.com]

Sent: Monday, November 23, 2020 4:02 PM **To:** Matthew Rose < <u>mrose@drlawpc.com</u>>

Cc: Susan Johnson < sjohnson@myamericantitle.com >

Subject: RE: Pappas purchase - Nov. 23?

Hi Matt, I just noticed that the City of DeKalb recorded their mortgage with City Hall Suites back on November 13th. This is not a valid lien because City Hall Suites didn't own the property until today so that mortgage will need to be rerecorded. Also, as with other TIF files, the mortgage with the City of DeKalb is subordinate to the mortgage with the bank (in this case FNB). So, we need to get the original mortgage with the City of DeKalb back to re-record in the correct recording "order" and we need a subordination agreement allowing FNB to be in first lien position. Your help in getting this resolved quickly is appreciated. Thank you, Dana

Dana L Gammeri
Title Services Representative
American Title Guaranty, Inc
2045 Aberdeen Ct, Ste B
Sycamore, IL 60178
815-756-3611
815-748-5249 fax

From: Matthew Rose < mrose@drlawpc.com > Sent: Friday, November 20, 2020 10:35 AM

To: Dana Gammeri dgammeri@myamericantitle.com; Jeffrey Lewis lewis@kleinstoddard.com;

Subject: RE: Pappas purchase - Nov. 23?

Attached should be the draft deed and PTAX form.

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone)

From: Dana Gammeri [mailto:dgammeri@myamericantitle.com]

Sent: Friday, November 20, 2020 10:28 AM

To: Matthew Rose <mrose@drlawpc.com>; Jeffrey Lewis <jlewis@kleinstoddard.com>

Subject: RE: Pappas purchase - Nov. 23?

Do you have the deed and ptax for review?

Dana L Gammeri
Title Services Representative
American Title Guaranty, Inc

2045 Aberdeen Ct, Ste B Sycamore, IL 60178 815-756-3611 815-748-5249 fax

From: Matthew Rose < mrose@drlawpc.com > Sent: Friday, November 20, 2020 10:27 AM

To: Dana Gammeri < dgammeri@myamericantitle.com >; Jeffrey Lewis < jlewis@kleinstoddard.com >

Subject: RE: Pappas purchase - Nov. 23?

None for the City. Thanks.

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone)

From: Dana Gammeri [mailto:dgammeri@myamericantitle.com]

Sent: Friday, November 20, 2020 10:27 AM

To: Matthew Rose <mrose@drlawpc.com>; Jeffrey Lewis <jlewis@kleinstoddard.com>

Subject: RE: Pappas purchase - Nov. 23?

Any fees or invoices for either side? I do have some lender figures to input. Thank you

Dana L Gammeri

Title Services Representative American Title Guaranty, Inc 2045 Aberdeen Ct, Ste B Sycamore, IL 60178 815-756-3611 815-748-5249 fax

From: Matthew Rose < mrose@drlawpc.com > Sent: Monday, November 16, 2020 2:50 PM

To: Dana Gammeri < dgammeri@myamericantitle.com >; Jeffrey Lewis < jlewis@kleinstoddard.com >

Subject: RE: Pappas purchase - Nov. 23?

Thank you!

Sincerely,

Matthew D. Rose Donahue & Rose, PC 9501 W. Devon Ave., Ste. 702 Rosemont, IL 60018 312.541.1078 (Phone) From: Dana Gammeri [mailto:dgammeri@myamericantitle.com]

Sent: Monday, November 16, 2020 2:48 PM
To: Jeffrey Lewis < <u>ilewis@kleinstoddard.com</u>>
Cc: Matthew Rose < <u>mrose@drlawpc.com</u>>
Subject: RE: Pappas purchase - Nov. 23 ?

Sure, 2pm on 11/23

Dana L Gammeri Title Services Representative American Title Guaranty, Inc 2045 Aberdeen Ct, Ste B Sycamore, IL 60178 815-756-3611 815-748-5249 fax

From: Jeffrey Lewis < <u>ilewis@kleinstoddard.com</u>>
Sent: Monday, November 16, 2020 2:42 PM

To: Dana Gammeri < dgammeri@myamericantitle.com>

Cc: Matthew Rose < mrose@drlawpc.com > Subject: RE: Pappas purchase - Nov. 23?

Can I reserve 2pm?

Matt Rose is the City of DeKalb attorney (seller).

Jeff Lewis

From: Dana Gammeri < dgammeri@myamericantitle.com >

Sent: Monday, November 16, 2020 2:38 PM **To:** Jeffrey Lewis < <u>ilewis@kleinstoddard.com</u>> **Subject:** RE: Pappas purchase - Nov. 23 ?

Yes, currently we can do any time except 3-3:30

Dana L Gammeri
Title Services Representative
American Title Guaranty, Inc
2045 Aberdeen Ct, Ste B
Sycamore, IL 60178
815-756-3611
815-748-5249 fax

From: Jeffrey Lewis < jlewis@kleinstoddard.com > Sent: Monday, November 16, 2020 2:36 PM

To: Dana Gammeri < dgammeri@myamericantitle.com >

Subject: Pappas purchase - Nov. 23?

Dana -

Brenda is finishing up title on a property that John Pappas is buying from the City of DeKalb. Everybody would like to close ASAP.

How does your afternoon look for 11/23 for a possible closing?

Jeff

Jeffrey L. Lewis Klein, Stoddard, Buck & Lewis, LLC 2045 Aberdeen Court, Suite A Sycamore IL 60178

Phone (815) 748-0380 Fax (815) 748-4030

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