

AMENDING RESOLUTION 2020-072 TO EXTEND THE DEADLINE FOR THE ARCHITECTURAL IMPROVEMENT PROGRAM (AIP) ECONOMIC INCENTIVE FOR THE HILLSIDE RESTAURANT, LOCATED AT 121 N. SECOND STREET, DEKALB, ILLINOIS IN THE AMOUNT OF \$18,075.50.

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

WHEREAS, on July 13, 2020, the City's corporate authorities duly passed Resolution 2020-072, which approved an Architectural Improvement Program (AIP) Grant to Mary and Gavin Wilson (the "Owner") in the amount of \$18,075.50 for the Hillside Restaurant located at 121 N. Second St, DeKalb, Illinois; and

WHEREAS, Owner requested an extension of the deadline to complete the work for the AIP Grant to November 30, 2021; and

WHEREAS, the City's corporate authorities find that it is in the City's best interests for the protection of public health, safety, morals and welfare to approve said extension; and

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

SECTION 1: The City's corporate authorities amend Section 1, Paragraph 2, of Resolution 2020-072 to state in its entirety as follows:

2. Payment of the AIP Grant shall be as a reimbursement to Owner, after Owner provides proof of incurring costs of not less than \$18,075.50 on renovation at the Property consisting of: professional pressure-washing and cleaning of the exterior walls, roof and gutters; replacement and re-wiring of ungrounded receptacles and light fixtures inside the restaurant; installation of accessible doors; kitchen and bath plumbing upgrades; and carpet replacement. The AIP Grant shall be in the amount which is the lesser of: a) \$18,075.50; or b) in the event Owner fails to incur costs of \$18,075.50 for renovation at the Property, the net project cost amount which is not more than 50% for "Major Capital Improvements", 25% for "Minor Capital Improvements", or 10% for "Deferred Maintenance" as noted in the City of DeKalb's AIP Policy.

SECTION 2: The City's corporate authorities amend Section 1, Paragraph 7, of Resolution 2020-072 to state in its entirety as follows:

7. All work shall be completed by November 30, 2021, or the funding approval contemplated herein shall terminate and this Resolution shall be of no further force or effect.

SECTION 3: Except as may otherwise be provided by this resolution, the terms of Resolution 2020-072 shall remain the same and in full force and effect. To the extent that there may be a conflict or inconsistency between this resolution and Resolution 2020-072, the terms of this resolution shall prevail.

SECTION 4: 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 provision 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 5: 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 July 2021 and approved by me as Mayor on the same day. Passed by a 5-0-2-1 roll call vote. Aye: Morris, Smith, Perkins, Verbic, Faivre. Nay: None. Absent: Larson, McAdams. Recused: Barnes.





COHEN BARNES, Mayor

ATTEST:



Ruth A. Scott, Executive Assistant

RESOLUTION 2020-072

PASSED: JULY 13, 2020

AUTHORIZING AN ARCHITECTURAL IMPROVEMENT PROGRAM (AIP) ECONOMIC INCENTIVE FOR THE HILLSIDE RESTAURANT, LOCATED AT 121 N. SECOND STREET, DEKALB, ILLINOIS, IN THE AMOUNT OF \$18,075.50.

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

WHEREAS, the City has previously created the Architectural Improvement Program (AIP) Grant process, and seeks to approve of an AIP Grant for the Hillside Restaurant located at 121 N. 2nd Street in the amount of \$18,075.50;

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

SECTION 1: The City of DeKalb approves an AIP Grant in the amount of \$18,075.50 for Mary and Gavin Wilson (the "Owner") for use at the Hillside Restaurant located at 121 N. 2nd Street, DeKalb, Illinois ("the Property"), subject to the following provisions:

1. Given the small scope of the requested grant, the City waives formal compliance with the requirements of the AIP process except as outlined herein. The City also waives requirement of a promissory note or mortgage to secure the AIP Grant.
2. Payment of the AIP Grant shall be as a reimbursement to Owner, after Owner provides proof of incurring costs of not less than \$18,075.50 on renovation at the Property consisting of: professional pressure-washing and cleaning of the exterior walls, roof and gutters; replacement and re-wiring of ungrounded receptacles and light fixtures inside the restaurant; installation of accessible doors; kitchen and bath plumbing upgrades; and carpet replacement. The AIP Grant shall be in the amount which is the lesser of: a) \$18,075.50; or, b) in the event Owner fails to incur costs of \$18,075.50 for renovation at the Property, the amount which represents a pro-rata reduction of the approved AIP Grant (based on a pro-rata reduction in Owner's investment of \$22,442.50); c) the total of all expenses which are eligible for payment under the Tax Increment Financing Allocation Act; or, d) the amount which is not more than 25% of the total project costs.
3. The Owner agrees to provide documentation of the project and incurred costs, inclusive of full lien waivers, invoices, and adequate evidence of payment, all in form and content acceptable to the City Manager or designee, prior to payment of the reimbursement.
4. The Owner agrees, as a condition of accepting the funds contemplated herein, to maintain the improvements funded by this AIP Grant for a period of not less than five

(5) years. The AIP Grant funds provided herein shall be considered partially forgiven by 20% (1/5) each year on the anniversary of their payment to Owner, until fully forgiven on the fifth anniversary of such payment. Should Owner fail to maintain the improvements for the full five-year period, then Owner shall be responsible for reimbursing the City in an amount equivalent to the then-unforgiven portion of the AIP Grant (e.g. if the Owner fails to maintain the improvements in the 4th year, the Owner shall reimburse the City for forty percent (40%) of the AIP Grant amount.


5. The Owner agrees to indemnify, defend and hold harmless the City from any claims or damages arising out of or relating to the AIP Grant or the work to be performed by Owner. The Owner shall provide the City with a certificate of insurance naming the City as additional primary insured with waiver of right of subrogation prior to commencement of work. The Owner agrees and acknowledges that the funding contemplated herein is payable to Owner only and may not be assigned or transferred to any other party. The City shall not make direct payments to any contractors or materialmen, and the City's obligation to provide funding shall not accrue until Owner provides the City with evidence of lien waivers from all contractors and materialmen providing labor or materials for the project.
6. The Owner shall complete all related work in a good and workmanlike fashion, in accordance with all applicable codes and ordinances, and after having obtained all required permits. All work shall be subject to inspection and approval by the City, once completed.
7. All work shall be completed within one calendar year of the date of approval of this Resolution, or the funding approval contemplated herein shall terminate and this Resolution shall be of no further force or effect.
8. Owner shall provide a letter to the City, acknowledging and agreeing to the terms and conditions of this Resolution, prior to the City's issuance of payment to Owner.


SECTION 2: The City Clerk or the Executive Assistant shall be authorized and directed to attest the Mayor's Signature and shall be effective thereupon, following execution as outlined in the preceding section.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 13th day of July 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



Hillside Restaurant, Inc.

121 N. 2nd St DeKalb, IL 60115

815-756-4749

Hillsiderestaurant.com

To: City of DeKalb Mayor and Council members

Re: TIF Financing

The Hillside Restaurant has been in business since 1955, and under our ownership since 1989.

We have always worked hard to maintain our building, our property and our business over the years, investing both time and money in the process.

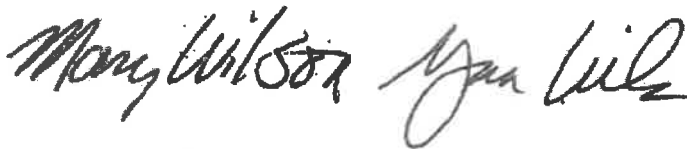
We have always believed in the motto: "Whatever it Takes"

In recent years due to a variety of factors beyond our control, our ability to afford the cost of upkeep has been strained.

In the effort to keep everything updated and in good repair, we are asking for your help.

To be clear, the nature of our situation requires that we request 40% of the cost through the TIF program, to enhance 121 N 2nd St, update our building and add viability and vitality to the DeKalb downtown.

Thank you for your consideration.

A handwritten signature in black ink, appearing to read "Mary & Gavin Wilson". The signature is written in a cursive, flowing style.

Mary & Gavin Wilson
Hillside Restaurant, Inc.

Hillside Bids		
Task	Kunkel Construction	Huttinen Construction
Front Façade/accessible doors	\$14,195	\$15,000
Carpet Replacement	\$7,334	\$8,000
Kitchen/Bath Plumbing Upgrades	\$5,475	\$7,000
Front Desk Area	\$4,500	\$6,500
Subtotal	\$31,504	\$36,500
	Swedberg Electric	Swedberg Electric
Bring Outlets and Fixtures up to Code	\$8,139	\$8,139
	Wally's Prof. Services	Wally's Prof. Services
Exterior Cleaning	\$875	\$875
Total	\$40,518	\$45,514



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

July 15, 2020

Bill Nicklas, City Manager
City of DeKalb
164 E. Lincoln Highway
DeKalb, IL 60115

RE: City of DeKalb AIP Grant / Letter Agreement

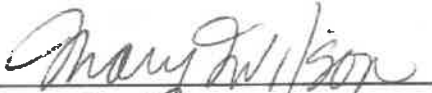
Mary and Gavin Wilson, ("Owner") hereby acknowledges and agrees to the terms of that certain Resolution 2020-072 ("the Resolution"), approving of an \$18,075.50 AIP Grant for Mary and Gavin Wilson, ("Owner") for use at 121 N. Second Street, DeKalb, Illinois ("the Property"), subject to the following provisions:

- 1) Payment of the AIP Grant shall be as a reimbursement to Owner, after Owner provides proof of incurring costs of not less than \$18,075.50 on renovation at the Property consisting of: professional pressure-washing and cleaning of the exterior walls, roof and gutters; replacement and re-wiring of ungrounded receptacles and light fixtures inside the restaurant; installation of accessible doors; kitchen and bath plumbing upgrades; and carpet replacement. The AIP Grant shall be in the amount which is the lesser of: a) \$18,075.50; or, b) in the event Owner fails to incur costs of \$18,075.50 for renovation at the Property, the amount which represents a pro-rata reduction of the approved AIP Grant (based on a pro-rata reduction in Owner's investment of \$22,442.50); c) the total of all expenses which are eligible for payment under the Tax Increment Financing Allocation Act; or, d) the amount which is not more than 25% of the total project costs.
- 2) The Owner agrees to provide documentation of the project and incurred costs, inclusive of full lien waivers, invoices, and adequate evidence of payment, all in form and content acceptable to the City Manager or designee, prior to payment of the reimbursement.
- 3) The Owner agrees, as a condition of accepting the funds contemplated herein, to maintain the improvements funded by this AIP Grant for a period of not less than five (5) years. The AIP Grant funds provided herein shall be considered partially forgiven by 20% (1/5) each year on the anniversary of their payment to Owner, until fully forgiven on the fifth anniversary of such payment. Should Owner fail to maintain the improvements for the full five-year period, then Owner shall be responsible for reimbursing the City in an amount equivalent to the then-unforgiven portion of the AIP Grant (e.g. if the Owner fails to maintain

the improvements in the 4th year, the Owner shall reimburse the City for forty percent (40%) of the AIP Grant amount.

- 4) The Owner agrees to indemnify, defend and hold harmless the City from any claims or damages arising out of or relating to the AIP Grant or the work to be performed by Owner. The Owner shall provide the City with a certificate of insurance naming the City as additional primary insured with waiver of right of subrogation prior to commencement of work. The Owner agrees and acknowledges that the funding contemplated herein is payable to Owner only, and may not be assigned or transferred to any other party. The City shall not make direct payments to any contractors or materialmen, and the City's obligation to provide funding shall not accrue until Owner provides the City with evidence of lien waivers from all contractors and materialmen providing labor or materials for the project.
- 5) The Owner shall complete all related work in a good and workmanlike fashion, in accordance with all applicable codes and ordinances, and after having obtained all required permits. All work shall be subject to inspection and approval by the City, once completed.
- 6) All work shall be completed by June 22, 2021 or the funding approval from the City shall terminate and this Resolution shall be of no further force or effect.

Agreed to as of the 24~~th~~ day of July, 2020.


Mary Wilson


Gavin Wilson

