FY 2013
ANNUAL TAX INCREMENT FINANCE
REPORT

State of Illinois
Comptroller
Judy Baar Topinka

Name of Municipality: City of DeKalb
County: DeKalb
Unit Code: 019/015/30

<table>
<thead>
<tr>
<th>TIF Administrator Contact Information</th>
</tr>
</thead>
<tbody>
<tr>
<td>First Name: Rudy</td>
</tr>
<tr>
<td>Last Name: Espiritu</td>
</tr>
<tr>
<td>Address: 200 South Fourth Street</td>
</tr>
<tr>
<td>Telephone: 815-748-2090</td>
</tr>
<tr>
<td>Mobile: 815-748-2090</td>
</tr>
<tr>
<td>E-mail: <a href="mailto:rudy.espiritup@cityofdekalb.com">rudy.espiritup@cityofdekalb.com</a></td>
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</tr>
<tr>
<td>Zip: 60115</td>
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I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of

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

Written signature of TIF Administrator: __________________________ Date: 12/12/13

| Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*) |
|----------------------------------------|----------------------------------|------------------|
| Name of Redevelopment Project Area    | Date Designated                  | Date Terminated   |
| Central Area TIF District             | 12/22/1986                       |                  |

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]
# SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

**FY 2013**

<table>
<thead>
<tr>
<th>Name of Redevelopment Project Area:</th>
<th>Central Area TIF</th>
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</thead>
<tbody>
<tr>
<td>Primary Use of Redevelopment Project Area*:</td>
<td>Combo/mixed</td>
</tr>
<tr>
<td>If &quot;Combination/Mixed&quot; List Component Types:</td>
<td>commercial/residential</td>
</tr>
<tr>
<td>Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):</td>
<td></td>
</tr>
<tr>
<td>Tax Increment Allocation Redevelopment Act</td>
<td>x</td>
</tr>
</tbody>
</table>

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<thead>
<tr>
<th>Question</th>
<th>No</th>
<th>Yes</th>
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<tbody>
<tr>
<td>Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)]</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)]</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)]</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)]</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)]</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Did the municipality’s TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)]</td>
<td>x</td>
<td></td>
</tr>
<tr>
<td>Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)]</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)]</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Cumulatively, have deposits equal or greater than $100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2)]</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Cumulatively, have deposits of incremental revenue equal to or greater than $100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)]</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a party, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]</td>
<td></td>
<td>x</td>
</tr>
</tbody>
</table>

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.
### FY 2013

**TIF NAME:** Central Area TIF

**Fund Balance at Beginning of Reporting Period**  
$5,249,494

<table>
<thead>
<tr>
<th>Revenue/Cash Receipts Deposited in Fund During Reporting FY:</th>
<th>Reporting Year</th>
<th>Cumulative*</th>
<th>% of Total</th>
</tr>
</thead>
<tbody>
<tr>
<td>Property Tax Increment</td>
<td>$6,679,893</td>
<td>$81,785,211</td>
<td>55%</td>
</tr>
<tr>
<td>State Sales Tax Increment</td>
<td>$802,880</td>
<td>$15,180,034</td>
<td>10%</td>
</tr>
<tr>
<td>Local Sales Tax Increment</td>
<td>$527,864</td>
<td>$12,981,206</td>
<td>9%</td>
</tr>
<tr>
<td>State Utility Tax Increment</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Local Utility Tax Increment</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Interest</td>
<td>$45,181</td>
<td>$1,799,740</td>
<td>1%</td>
</tr>
<tr>
<td>Land/Building Sale Proceeds</td>
<td></td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Bond Proceeds</td>
<td>$34,334,964</td>
<td></td>
<td>23%</td>
</tr>
<tr>
<td>Transfers from Municipal Sources</td>
<td>$344,368</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Private Sources</td>
<td>$890</td>
<td></td>
<td>0%</td>
</tr>
<tr>
<td>Other (identify source ________; if multiple other sources, attach schedule) Refunds/Reimbursements</td>
<td>$608</td>
<td>$897,549</td>
<td>1%</td>
</tr>
</tbody>
</table>

*must be completed where 'Reporting Year' is populated

**Total Amount Deposited in Special Tax Allocation Fund During Reporting Period**  
$8,056,427

**Cumulative Total Revenues/Cash Receipts**  
$147,476,100  100%

**Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)**  
$6,041,408

**Distribution of Surplus**  
$3,915,027

**Total Expenditures/Disbursements**  
$9,956,435

**NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS**  
$(1,900,008)

**FUND BALANCE, END OF REPORTING PERIOD***  
$3,349,486

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

**Total Amount Designated (Carried forward from Section 3.3)**  
$(46,805,989)
## FY 2013

### Costs of studies, administration and professional services—Subsections (q)(1) and (o)(1)

<table>
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<tr>
<th>Category</th>
<th>Amounts</th>
<th>Reporting Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>8331</td>
<td>architectural and engineering services</td>
<td>6,120</td>
</tr>
<tr>
<td>8332</td>
<td>Land acquisition services</td>
<td>900</td>
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<td>1,489</td>
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<td>8373</td>
<td>marketing, ads, public info</td>
<td>26</td>
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<td></td>
<td>Transfers (9001 &amp; 9225)</td>
<td>2,150,222</td>
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<td>8376</td>
<td>Training, education, &amp; professional development</td>
<td>611 $</td>
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### Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)

<table>
<thead>
<tr>
<th>Category</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>8625</td>
<td>remodeling and renovation</td>
</tr>
</tbody>
</table>

### Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)

<table>
<thead>
<tr>
<th>Category</th>
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### Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)

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<tr>
<th>Category</th>
<th>Amounts</th>
</tr>
</thead>
<tbody>
<tr>
<td>8628</td>
<td>storm water system improvements</td>
</tr>
<tr>
<td>8632</td>
<td>street improvements - maintenance</td>
</tr>
<tr>
<td>8633</td>
<td>street construction or reconstruction</td>
</tr>
<tr>
<td>8321</td>
<td>sidewalks - R&amp;M</td>
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</tbody>
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### Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY

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**ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND**

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

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

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<td>Amount</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
<td>--------</td>
</tr>
<tr>
<td>7.</td>
<td>Cost of job training and retraining, including “work to work” programs. Subsection (q)(5), (o)(7) and (o)(12)</td>
<td>$ -</td>
</tr>
<tr>
<td>8.</td>
<td>Financing costs. Subsection (q)(6) and (o)(8)</td>
<td>$ -</td>
</tr>
<tr>
<td>9.</td>
<td>Approved capital costs. Subsection (q)(7) and (o)(9)</td>
<td>$ -</td>
</tr>
<tr>
<td></td>
<td>8624 private property rehab</td>
<td>481,668</td>
</tr>
<tr>
<td></td>
<td>8639 other capital improvements (surplus removed)</td>
<td>2,674,960</td>
</tr>
<tr>
<td>10.</td>
<td>Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY</td>
<td>$ 3,156,629</td>
</tr>
<tr>
<td>11.</td>
<td>Relocation costs. Subsection (q)(8) and (o)(10)</td>
<td>$ -</td>
</tr>
<tr>
<td>12.</td>
<td>Payments in lieu of taxes. Subsection (q)(9) and (o)(11)</td>
<td>$ -</td>
</tr>
<tr>
<td>13.</td>
<td>Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)</td>
<td>$ -</td>
</tr>
<tr>
<td>Item Description</td>
<td>Amount</td>
<td></td>
</tr>
<tr>
<td>---------------------------------------------------------------------------------</td>
<td>--------</td>
<td></td>
</tr>
<tr>
<td>14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIF's ONLY</td>
<td>$ -</td>
<td></td>
</tr>
<tr>
<td>16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY</td>
<td>$ -</td>
<td></td>
</tr>
<tr>
<td>TOTAL ITEMIZED EXPENDITURES</td>
<td>$ 6,041,408</td>
<td></td>
</tr>
</tbody>
</table>
Fiscal Year 2013

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

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

<table>
<thead>
<tr>
<th>Name</th>
<th>Service</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>DEPOSITORY TRUST CO</td>
<td>FINANCIAL SERVICES</td>
<td>1,218,709.38</td>
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<tr>
<td>RENEW DEKALB, INC.</td>
<td>CONSULTANT</td>
<td>18,750.00</td>
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<tr>
<td>U.S. BANK NATIONAL ASSOCIATION</td>
<td>FINANCIAL SERVICES</td>
<td>200,000.00</td>
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<tr>
<td>ALLEN &amp; PEPA ARCHITECTS</td>
<td>CONSULTANT</td>
<td>10,030.00</td>
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<tr>
<td>PERSHING LLC</td>
<td>FINANCIAL SERVICES</td>
<td>3,100,764.96</td>
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<tr>
<td>GRUMMAN/BUTKUS ASSOCIATES</td>
<td>CONSULTANT</td>
<td>66,130.74</td>
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<tr>
<td>ASPINWALL REMODELING &amp; CONSTRUCTION</td>
<td>CONTRACTOR</td>
<td>13,160.00</td>
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<tr>
<td>FARMBOY SERVICES INC</td>
<td>CONTRACTOR</td>
<td>16,500.00</td>
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<tr>
<td>WESTERN REMAC INC</td>
<td>CONTRACTOR</td>
<td>79,950.10</td>
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<tr>
<td>JP MORGAN CLEARING CORP</td>
<td>FINANCIAL SERVICES</td>
<td>500,000.00</td>
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<tr>
<td>VINGING SPARKS IBG,LP</td>
<td>CONTRACTOR</td>
<td>250,000.00</td>
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<tr>
<td>ALLIANCE CONTRACTORS, INC.</td>
<td>CONTRACTOR</td>
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<tr>
<td>BAXTER &amp; WOODMAN, INC.</td>
<td>CONSULTANT</td>
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<tr>
<td>BROWN TRAFFIC PRODUCTS, INC.</td>
<td>VENDOR</td>
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<tr>
<td>CURRAN CONTRACTING COMPANY</td>
<td>CONTRACTOR</td>
<td>269,430.14</td>
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<tr>
<td>ELLIOTT &amp; WOOD INC.</td>
<td>CONTRACTOR</td>
<td>74,184.35</td>
</tr>
<tr>
<td>G'S R PLUMBING &amp; HEATING INC.</td>
<td>CONTRACTOR</td>
<td>14,987.72</td>
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<tr>
<td>ILLINOIS DEPT OF TRANSPORTATION</td>
<td>GOVERNMENTAL</td>
<td>18,727.78</td>
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<tr>
<td>IRVING CONSTRUCTION CO., INC.</td>
<td>CONTRACTOR</td>
<td>41,611.00</td>
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<tr>
<td>ALLIANCE CONTRACTORS, INC.</td>
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<td>16,445.66</td>
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<tr>
<td>SAA DESIGN GROUP</td>
<td>CONSULTANT</td>
<td>31,023.67</td>
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<tr>
<td>SAA DESIGN GROUP</td>
<td>CONSULTANT</td>
<td>16,302.76</td>
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<td>SAA DESIGN GROUP</td>
<td>CONSULTANT</td>
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<td>ABSOLUTE FIRE PROTECTION INC.</td>
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<tr>
<td>AUDIO LOGIC SYSTEMS</td>
<td>CONTRACTOR</td>
<td>16,435.95</td>
</tr>
<tr>
<td>AUDIO LOGIC SYSTEMS</td>
<td>CONTRACTOR</td>
<td>10,365.55</td>
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<tr>
<td>FULL COMPASS SYSTEMS LTD</td>
<td>CONTRACTOR</td>
<td>13,980.88</td>
</tr>
<tr>
<td>ALLIANCE CONTRACTORS, INC.</td>
<td>CONTRACTOR</td>
<td>79,346.98</td>
</tr>
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<td>TREASURER, STATE OF ILLINOIS</td>
<td>GOVERNMENTAL</td>
<td>12,282.56</td>
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<td>TREASURER, STATE OF ILLINOIS</td>
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<tr>
<td>AURORA SIGN CO.</td>
<td>CONTRACTOR</td>
<td>22,375.00</td>
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<tr>
<td>CITY OF DEKALB</td>
<td>SURPLUS DISTRIBUTION</td>
<td>466,466.18</td>
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<tr>
<td>CURRAN CONTRACTING COMPANY</td>
<td>CONTRACTOR</td>
<td>26,991.78</td>
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<tr>
<td>DEKALB COUNTY TREASURER</td>
<td>SURPLUS DISTRIBUTION</td>
<td>2,917,637.44</td>
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<tr>
<td>DEKALB PUBLIC LIBRARY</td>
<td>LIBRARY EXPANSION</td>
<td>2,000,000.00</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>29,992.12</td>
</tr>
<tr>
<td>ILLINOIS DEPARTMENT OF REVENUE</td>
<td>SURPLUS DISTRIBUTION</td>
<td>530,923.50</td>
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<tr>
<td>IMS INFRASTRUCTURE</td>
<td>CONTRACTOR</td>
<td>16,387.65</td>
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<tr>
<td>DEPOSITORY TRUST COMPANY</td>
<td>FINANCIAL SERVICES</td>
<td>146,196.88</td>
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### FY 2013 FUND BALANCE, END OF REPORTING PERIOD

<table>
<thead>
<tr>
<th>Description of Debt Obligations</th>
<th>Amount of Original Issuance</th>
<th>Amount Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2003A G.O. Bond</td>
<td>$2,665,000</td>
<td>$79,031</td>
</tr>
<tr>
<td>2003 Tax Increment Revenue</td>
<td>$4,350,000</td>
<td>$169,864</td>
</tr>
<tr>
<td>2002A G.O. Bond</td>
<td>$2,050,000</td>
<td>$222,800</td>
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<tr>
<td>2010A G.O. Bond</td>
<td>$10,800,000</td>
<td>$1,067,375</td>
</tr>
</tbody>
</table>

Total Amount Designated for Obligations: $19,865,000 $1,539,070

### Description of Project Costs to be Paid

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Contractual Services</td>
<td>$1,720,000</td>
</tr>
<tr>
<td>Permanent Improvements</td>
<td>$32,053,579</td>
</tr>
<tr>
<td>Transfers</td>
<td>$14,842,826</td>
</tr>
</tbody>
</table>

Total Amount Designated for Project Costs: $48,616,404

**TOTAL AMOUNT DESIGNATED**

$50,155,474

**SURPLUS*/(DEFICIT)**

$-(46,805,989)

*NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts.
Fiscal Year 2013

**TIF NAME:**

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

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

### Property Acquired by the Municipality Within the Redevelopment Project Area

<table>
<thead>
<tr>
<th>Property (1):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Street address:</td>
<td></td>
</tr>
<tr>
<td>Approximate size or description of property:</td>
<td></td>
</tr>
<tr>
<td>Purchase price:</td>
<td></td>
</tr>
<tr>
<td>Seller of property:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property (2):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Street address:</td>
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<tr>
<td>Approximate size or description of property:</td>
<td></td>
</tr>
<tr>
<td>Purchase price:</td>
<td></td>
</tr>
<tr>
<td>Seller of property:</td>
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</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property (3):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Street address:</td>
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</tr>
<tr>
<td>Approximate size or description of property:</td>
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</tr>
<tr>
<td>Purchase price:</td>
<td></td>
</tr>
<tr>
<td>Seller of property:</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Property (4):</th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Street address:</td>
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</tr>
<tr>
<td>Approximate size or description of property:</td>
<td></td>
</tr>
<tr>
<td>Purchase price:</td>
<td></td>
</tr>
<tr>
<td>Seller of property:</td>
<td></td>
</tr>
<tr>
<td>Project</td>
<td>Description</td>
</tr>
<tr>
<td>---------</td>
<td>-------------</td>
</tr>
<tr>
<td>Project 1: Nehring House renovations (Ellwood Association)</td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
<tr>
<td>Project 2: Richoz AIP 221 WLH</td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
<tr>
<td>Project 3: Egyptian FY13 TIF projects</td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
<tr>
<td>Project 4: DeKalb Public Library Expansion</td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
<tr>
<td>Project 5: McMahon Banquet 305 Grove (Faranda's)</td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
<tr>
<td>Project 6: Pappas (Small's)</td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
</tbody>
</table>
December 10, 2013

Office of the Comptroller
Local Government Division
100 West Randolph
Suite 15-500
Chicago, Illinois 60601

Dear Local Government Division:

The City of DeKalb was in compliance with the Tax Increment Allocation Redevelopment Act for its Central Area Tax Increment Financing District for Fiscal Year 2013.

Sincerely,

John Rey
Mayor
December 10, 2013

Office of the Comptroller
Local Government Division
100 West Randolph
Suite 15-500
Chicago, Illinois 60601

Dear Local Government Division:

The City of DeKalb was in compliance with the Tax Increment Allocation Redevelopment Act for its Central Area Tax Increment Financing District for Fiscal Year 2013.

Sincerely,

Dean M. Frieders
City Attorney
2012 Central Area TIF Activities Statement
July 1, 2012-Jun 30, 2013

AUTHORIZING THE MAYOR TO ENTER INTO AN AGREEMENT WITH THE ELLWOOD HOUSE ASSOCIATION FOR TIF FUNDING IN AN AMOUNT OF $75,000 ANNUALLY FOR IMPROVEMENTS TO THE ELLWOOD-NEHRING HOUSE AND PROPERTY LOCATED AT 417 NORTH FIRST STREET.

The Ellwood House Association has been operating the Ellwood House Museum and Visitor center for the last 46 years. At the end of 2011, Mrs. Shirley Hamilton donated the adjacent Ellwood –Nehring home to the Ellwood House Association was now responsible for its operation and maintenance. This circa 1899, 6,000 sq.ft. two-story home includes a carriage house and is proposed to be preserved as a place of learning for both visitors and residents alike. In order to complete this transformation, several improvements were required totaling over $445,000, including:

• American Disabilities Act compliance for historic structures (ramp, parking, interior bathroom)
• Restoration, Maintenance & Safety (roofing, HVAC, electrical)
• Exterior Site Improvements (Landscape restoration, parking, driveway)

The Ellwood House Association submitted a funding request for these improvements during the recent FY13 budget process. A five year TIF agreement which allocated $75,000 annually for the improvements was approved.

AUTHORIZING THE MAYOR OF THE CITY OF DEKALB, ILLINOIS, TO ENTER INTO AN AGREEMENT WITH RENEW DEKALB, INC., FOR FY13 TIF FUNDING IN THE AMOUNT OF $45,000 TO IMPLEMENT DOWNTOWN ACTIVITIES.

The City has financially supported ReNew DeKalb, Inc. (formerly Main Street/DeKalb, Inc.) since January 1998. ReNew DeKalb, Inc. is a not-for-profit group whose primary goal is to implement the final Downtown Redevelopment Plan as well as the East Lincoln Highway Plan. A one year agreement was approved.

CONSIDERATION OF A REQUEST BY ARCH RICHÖZ TO FINANCE AN FY13 ARCHITECTURAL IMPROVEMENT PROGRAM PROJECT WITH TAX INCREMENT FINANCING FUNDS AT 221 WEST LINCOLN HIGHWAY.

Arch Richoz, owner of Castle View Real Estate located at 221 West Lincoln Highway requested FY13AIP funding. Proposed work under this project included power washing the building, repairing and painting, replacement of windows, and adding new signage. The total cost of eligible improvements was $10,010.98. AIP Standard Project Guidelines provide 50% matching funds up to $25,000. The total matching portion approved by the City was $5,005.49.
APPROVAL OF A RECOMMENDATION TO AWARD THE STREET CONDITION INVENTORY PAVEMENT MANAGEMENT PROJECT TO INFRASTRUCTURE MANAGEMENT SERVICES.

The Public Works Engineering Division maintains a street inventory of pavement condition that requires updating every three years to be meaningful. The condition assessment provides assessment for which streets need timely maintenance before further accelerated deterioration occurs. The Public Works Department recommended TIF streets be inventoried and rated by IMS for $27,757, including deflection testing.

AUTHORIZING THE MAYOR OF THE CITY OF DEKALB, ILLINOIS, TO EXECUTE AN AGREEMENT WITH SCHREIBER, ANDERSON AND ASSOCIATES DESIGN GROUP (SAA) TO PROVIDE CONSULTING SERVICES TO UPDATE THE DOWNTOWN REVITALIZATION PLAN.

As part of the FY 2013 budget, the City Council set aside monies in the Central Area TIF District Fund for use towards the preparation of an update of the 2006/2007 Downtown Revitalization Plan. A subcommittee consisting of Aldermen Baker and Naylor along with the City Manager, city staff, and representatives of ReNew DeKalb are recommended that the City enter into an agreement with Schreiber, Anderson and Associates Design Group (SAA) to perform the necessary consultant services in preparing this update. A final draft was presented in the spring of 2013. The cost of their services was $71,500.

AUTHORIZING THE MAYOR OF THE CITY OF DEKALB, ILLINOIS, TO ENTER INTO AN AGREEMENT WITH DEBUTANTES REAL ESTATE HOLDINGS FOR REPLACEMENT OF THE MARQUEE SIGN AT 145 NORTH THIRD STREET USING TIF FUNDS IN AN AMOUNT NOT TO EXCEED $90,500.

Staff has been working with Alderman Gallagher and Tom Rogers, owner of Debutante’s School of Cosmetology and Nail Technology located at 145 North Third Street, for several months on a project to bring the “DeKalb” theatre marquee back into working order. The City’s funding participation of $90,500 was approved by City Council.

APPROVAL OF A REQUEST TO PURCHASE SIGNS THROUGH AURORA SIGN COMPANY IN THE AMOUNT OF $61,385 FOR THE DEKALB TAYLOR MUNICIPAL AIRPORT.

Budgeted in FY13 was the expansion and replacement of existing signage at DTMA. After working with several vendors, Staff is recommended a sign from Aurora Sign Company. The intent was to bring the face of the airport to the corner and increase the public’s awareness of the airport. This was part of a long range strategy to increase revenue at the airport. Project total $44,951.

AMENDING THE AGREEMENT WITH PRESERVATION OF THE EGYPTIAN THEATRE (P.E.T.) FOR THE PURPOSE OF FINANCING FIRE SPRINKLER AND OTHER FACILITY IMPROVEMENTS TO THE EGYPTIAN THEATRE WITH GENERAL OBLIGATION BOND PROCEEDS/TAX INCREMENT FINANCING FUNDS.
The P.E.T. Board requested that the $374,080 in combined remaining bond monies and TIF funds provided in their FY11/12 agreement be re-allocated towards the installation of a complete sprinkler system and other eligible items listed on the prioritized list marked Exhibit “A” to the agreement.

APPROPRIATING CENTRAL AREA TAX INCREMENT FUNDS IN THE AMOUNT OF $2,000,000 TO THE DEKALB PUBLIC LIBRARY FOR LIBRARY EXPANSION.

APPROVE STAFF’S RECOMMENDATION TO AWARD THE BID FOR THE AUGUSTA AVENUE LIGHTING PROJECT TO VIRGIL COOK & SON, INC. IN THE AMOUNT OF $49,616.

Decorative lighting was planned to replace three wood pole street lights along Augusta Avenue between North First Street and Linden Place adjacent the Nehring house. The lighting upgrades were a request of former alderman Gallagher as working with overall campus improvements to the Ellwood House Museum and now ongoing updates to the former Nehring residence at 417 North First Street operated by the Museum board. Two bids were received for the lighting improvement project and the low bid of $49,616 was 4.4% below the Engineer’s Estimate.

ORDINANCE AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT WITH LINCOLN INN FAMILY RESTAURANT, INC. FOR THE DEVELOPMENT OF 302 GROVE STREET.

Bill & Joy McMahon, owners of the Lincoln Inn Restaurant, approached the City with the opportunity to redevelop the former DeKalb Clinic Annex site located at 302 Grove Street as a banquet facility capable of hosting up to 450 guests. The $355,000 request represents approximately 19.0% of the total project costs and met the City’s guidelines accordingly.

AUTHORIZING THE EXECUTION OF A DEVELOPMENT AGREEMENT WITH PAPPAS-GLASGOW DEVELOPMENT, LLC. FOR THE DEVELOPMENT OF 2211 SYCAMORE ROAD (SMALL’S).

Pappas Development purchased the Small’s Furniture property located at 2211 Sycamore Road and redeveloped the property for a Restaurant & Retail Center. The Development project involved the investment of approximately $4.1 million for new construction and redevelopment costs. Pappas Development is requested and received $423,900 in Central Area Tax Increment Finance (TIF) funds as a forgivable loan to assist with site preparation costs.

APPROVE THE PURCHASE AND INSTALLATION OF FIBER FOR THE AIRPORT FROM OUTSIDE PLANT SERVICES IN THE AMOUNT OF $39,961.76.

DTMA began using a wireless network system in 1999 to connect the IT systems at the Airport to the broader City network. The wireless system has proven to be non-reliable. In addition, the reduced cost of fiber and the operation benefits make installation of a dedicated fiber optic line a viable option. Staff reached out to several vendors to provide a cost for this
expansion. Two quotes were received. The lowest quote was from Outside Plant Services in the amount of $39,961.76.

The benefits of this project are many. Primarily, it allows DTMA direct access to the City’s computer network and VOIP system. Existing copper phone lines and expenses would be discontinued. Additionally, as airport security at GA airports has become a greater concern with the FAA and the Department of Homeland Security, it will allow the installation of an IP based security system that can be remotely monitored. Fiber could theoretically then be expanded from this trunk line into hangars to facilitate aviation business growth.

LOW INCOME HOUSING GRANTS: Provided funding for 3 housing rehabilitation grants to income eligible residents totaling $15,250.80

RESIDENT OFFICER PROGRAM: Purchased property at 624 North 11th Street and renovated in FY 13 to provide housing for a resident Police Officer & family is a high crime neighborhood.

STREETS – REPAIR AND MAINTENANCE: Annual TIF area improvements of street patching, milling, overlaying, sidewalk repairs and alley reconstruction. Includes North 6th Street from Oak to Fisk and Fisk Avenue from 1st to 7th.

PARKING LOT 10 IMPROVEMENTS: Parking lots were designed for updated surface paving, added interior and perimeter landscaping, and lighting.
TIF Painting Assistance Program

Please list all applicants as they appear on the title to the property.

Applicant's Name: Russell T. Smith      Phone Number: 758-5513
Applicant's Name: DeKalb Villas, LLC    Phone Number: 758-0123

Property Address: 402 + 404 West Locust Street

Please attach a copy of the deed to show proof of ownership.

Is the property your principal residence? Yes √ No

Estimated number of gallons of paint required to complete the project: 15

Please submit a photo of the house along with this application and copy of the deed prior to painting. Upon completion of the project, please submit another photo of the completed project along with receipts for paint purchased. Reimbursement is based on 50% of the cost of paint needed to complete the project.

I/We certify that all statements made on this application are true and correct to the best of my/our knowledge and belief. I/We understand that any willful misstatement of material fact will be grounds for disqualification. All owners must sign and date below.

Signature Date  √  Signature Date
EXHIBIT "I"

CITY OF DEKALB
FY13 ARCHITECTURAL IMPROVEMENT FUNDING AGREEMENT

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

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

WITNESSETH:

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

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

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

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

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

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

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

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

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

C. That, upon submittal of appropriate receipts paid, any necessary final lien waivers, certified payroll
records of contractors, and verification that the improvements have been completed as proposed, the CITY shall reimburse the actual costs of the improvements, in amounts not exceeding the value stated in Paragraph A, above, and the CITY shall have up to twenty working days to disburse such amounts upon receipt of all necessary documentation, subject to standard CITY policies and procedures;

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

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

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

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

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

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

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

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

L. If the OWNER removes or fails to maintain all improvements for which reimbursement by CITY is provided under the terms of this Agreement, then upon written notice being given by the City Manager to the OWNER, served in person or by certified mail to the address on this Agreement above, the OWNER agrees to reimburse the CITY for the full amount of funding provided by the CITY under the terms of this
Agreement within thirty (30) days of receipt of aforementioned written notice, with the amount of reimbursement owed to the City reduced by one-fifth (1/5) of the full amount funded by the CITY under this Agreement for every one calendar year the improvements resulting from this Agreement and the aforementioned Program are maintained in accordance with the terms of this Agreement.

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

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

CITY OF DEKALB, ILLINOIS
A Municipal Corporation

PROPERTY OWNER
850 South Fourth Street, DeKalb, Illinois

ATTEST:
Mayor

Mayor

Diane Wright
City Clerk
Development Agreement

By and Between the City of DeKalb and Pappas-Glasgow Development, LLC

WHEREAS, representatives of Pappas-Glasgow Development, LLC, (hereinafter “the Company”) have expressed interest in developing an approximately Six Thousand (6,000) square foot restaurant and/or Twelve Thousand (12,000) square foot retail center (hereinafter “the Development Project”) in the city of DeKalb, IL (hereinafter “the City”); AND

WHEREAS, the City is under financial constraints and the sales taxes would be directed to the City’s General Fund, AND

WHEREAS, the location of the Development Project facility will be in the City’s Central Area Tax Increment Finance Redevelopment Plan and will redevelop the property at 2211 Sycamore Road, generating increased property taxes and employment; AND

WHEREAS, the City has adopted Business Incentive Program guidelines by Resolution #12-50, on April 23, 2012, AND

WHEREAS, the Economic Development Committee (hereinafter “the EDC”) examined the estimated levels of job creation and capital investment to be made by the Company and determined that in the present economy recommends that the offer of certain incentives was appropriate.

WHEREAS, the City Council has examined the EDC’s findings and recommendation, along with the underlying supporting information, and has concluded that the City has the legal authority to offer certain incentives is appropriate.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and to memorialize the responsibilities of both parties, the Company and the City of DeKalb, intending to be legally bound hereby, agree as follows:

1) The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended, to finance redevelopment project costs and to conduct redevelopment and construction activities in connection with redevelopment project areas established in accordance with the Act.

2) Pursuant to the Act, the City has adopted various ordinances creating the Central Area Tax Increment Redevelopment Project Area and Redevelopment Plan and Project, with respect to the redevelopment project area referred to therein.

3) Subject to satisfying contingencies in its contract to purchase the real property from a third-party, the Company will purchase real property located in the City of DeKalb, Illinois, which real property is more fully described in the attached legal description (see Exhibit A, describing “the Property”) that will house the Development Project. In the
event that the Company fails to purchase or acquire the property within Ninety (90) days of the date of this Agreement, this Agreement shall be null and void.

4) Forgivable Loan Incentive:

A. Based upon the representations, inducements and commitments by the Company, both set forth herein and in other representations made in documents provided to the City of DeKalb by the Company, the City of DeKalb agrees to provide the following financial assistance and incentives to the Company: the City of DeKalb shall provide a forgivable loan of up to Four Hundred Twenty Three Thousand Nine Hundred And No/100ths Dollars ($423,900) to the Company to assist the Company to develop at least Eighty One Thousand Four Hundred Fifty Seven (81,457) square foot tract of land consisting of lot(s) and to build and establish its Development Project at this location in City of DeKalb on the terms and conditions described herein and to maintain and expand the following described Development Project operations in City of DeKalb. Said incentive shall not exceed the lesser of: 1) $423,900; 2) 20% of eligible project costs as contemplated herein (not including land acquisition costs); 3) that portion of the costs of the project which are eligible for payment under applicable laws relating to use of TIF Funds; or, 4) $300,000 plus the sum calculated as the appropriate total phase 2 payment (collectively, the “Incentive Limits”).

B. The forgivable loan shall be funded in two phases. The first phase shall be an initial payment of $300,000 which shall be made once the Company provides proof of initial project completion (prior to tenant-specific buildout), which shall consist of a final waiver of lien from the general contractor and all subcontractors and materialmen for the construction contract (for an adequate portion of the Development Project to demonstrate that the funding contemplated herein will not exceed 20% of project costs), provision of certified payroll records for the entirety of the project in compliance with the Prevailing Wage Act, an inspection of the “shell” of the facility by the City to confirm that all primary improvements (exterior walls, roof, ceiling, HVAC, utilities, signage, glass and glazing, landscaping, parking lot final lift/striping/signage and all related improvements) have been completed and that the building shell is weather tight, complete, and ready for tenant-specific buildout and such other documentation evidencing project completion as shall be requested by the City.

C. The second phase shall be one or more payments, up to a total of $123,900, made after completion of tenant-specific buildout, issuance of a certificate of occupancy for a space to be occupied by a known tenant, and the tenant actually taking possession of the portion of the premises in question. Payments in this second phase shall be completed on a tenant-by-tenant basis. In the event that a Permitted Use restaurant locates on the property as an approximately 6,000 square foot standalone use, the Company shall be entitled to a payment to a payment of the full $123,900, subject to the Incentive Limits. In the event that the Company constructs an approximately 12,000 square foot commercial center, tenants shall be evaluated on a unit by unit basis. Any tenant that is a Permitted Use shall render the Company eligible for an incentive payment under this Agreement. Such payments shall be calculated on a pro-rata basis, by square footage.
For example, if a full-line furniture store locates within the building and utilizes 6,000 of the available 12,000 square feet, the Company shall be entitled to a payment of 50% of the $123,900 allotted for the second phase incentive. If the entirety of the building is dedicated to permitted uses, the Company shall be entitled to a payment of 100% of the $123,900 allotted for the second phase incentive. Said payments may be made in one or more installments, and shall be payable after a tenant takes possession of a portion of the property and starts operations with all required permits and licensures in place. Of note, the amount calculated as due for any second phase installment shall be subject to the Incentive Limits. Payments made in the second phase may be made at any time during the term of this Agreement, and shall require all of the same records as those made in the first phase (e.g. lien waivers, certified payroll records, etc.).

D. The total Forgivable Loan Incentive payable in phase one and phase two of payments shall not exceed twenty percent (20%) of the Total Project Costs for redevelopment of the Property, which costs shall be permitted to include: Engineered fill to prepare the site for construction; construction and replacement of storm water lines to drain the site; repair and replacement of pavement to facilitate shared parking and access; retaining walls, fences, stairways; demolition of structures and other site improvements that will be replaced and modified. The Company shall provide proof, to the City’s reasonable satisfaction, of Total Project Costs to demonstrate compliance with this Agreement. Total Project Costs shall be defined to include: on-site and off-site improvements related to the redevelopment of the site, considered eligible under state and local tax increment financing laws regulations and plans, including Street (Re)Construction & Related Improvements (e.g., signalization, turning lanes, etc.), Building Construction and outfitting, Environmental Remediation Activities, Storm Sewer, Sanitary Service & Water System Improvements, Architectural/Engineering Services, and Site improvement costs. All project costs must be eligible project costs, incurred and paid in compliance with all applicable regulations (including but not limited to those applicable to projects paid with revenue from a TIF District and those applicable to projects paid with public funding), in order to be eligible for inclusion in reimbursed project costs. In addition, the Company shall comply with all TIF or other regulations addressing the relocation of sales-tax generating enterprises from one community to another community. The City will use the schedule contained in Exhibit D for guidance on the eligible cost. Funding for this Agreement is anticipated to be generated through the Sycamore Road TIF that is presently being considered for creation by the City; in the event that said TIF is not created (or as needed to supplement said funding), funding shall be provided through the Central Area TIF and other lawful sources of TIF funding available from the City, but not from any non-TIF source.

5) Repayment of Forgivable Loan Incentive:

A. One Hundred percent (100%) of all reported sales tax receipts (including City of DeKalb Restaurant and Bar Tax receipts) from the Property, on and after the date of issuance of the final certificate of occupancy, which are actually received by the City and which are generated by “Permitted Uses” as defined herein, within the term of this Agreement, shall be credited against the forgivable loan until it is repaid in full. Any
sales tax revenue generated by a use or user other than a Permitted Use shall not be credited against the Forgivable Loan Incentive. One Hundred Percent (100%) of all New Property Tax Receipts shall be credited against the Forgivable Loan Incentive, regardless of whether all or any portion of the property is used for Permitted Uses. A list of Permitted Uses is attached hereto as Exhibit C; the City Manager is and shall be authorized to make a final determination regarding whether a given proposed use is a Permitted Use (or a “net new” use as defined in Exhibit C). The Company acknowledges that the City’s determination as to whether or not a given use is a Permitted Use is final and unappealable. The Company shall take all steps required to differentiate between revenues generated by Permitted Uses and proceeds generated by other uses; any revenues which are not able to be definitively ascribed to Permitted Uses shall not be credited against the Forgivable Loan.

B. Any balance of the forgivable loan which remains unpaid upon the expiration of this Agreement shall immediately be due and payable. Further: a) should the Company fail to construct the Development Project on the Property within 24 months of the date of this Agreement; b) should the Company or the operator of the businesses within the Development Project become 90 or more days delinquent on any utility bill, tax bill (including restaurant and bar tax bill) or other obligation to the City; or, c) should this Agreement be terminated for any reason, the then-current unpaid balance of the forgivable loan shall immediately be due and payable from the Company to the City.

Relative to subsection 5(B)(b) above, the City agrees that it shall not deem this agreement immediately terminated if the non-payment or delinquency is from a party other than the Company. The Company agrees that it shall include provisions in all lease and sale agreements requiring tenants/subsequent purchasers to remain current on all obligations contemplated in the referenced subsection. In the event that a tenant or subsequent purchaser defaults in such obligation, the City shall not terminate this Agreement provided that the Company takes prompt action to either compel the third party to become current on its obligations or initiates an eviction proceeding; the City shall defer termination for the period of time that the Company diligently pursues its available remedies, but may terminate upon the failure or abandonment of such effort by Company.

C. For purposes of this Agreement, “New Property Tax Receipts” shall be calculated by taking the property tax receipts received by the City within any given year during the term of this Agreement, and subtracting from such number the amount which was received by the City during the last year prior to redevelopment of the Property (with the intention of crediting the Company for new property tax revenue generated by its development).

D. Any monies forwarded by the City as a component of the Forgivable Loan Incentive shall be secured as follows:
The Parties acknowledge that the Company has an existing development adjacent to the Property, consisting of the existing Advance Auto and related stores (hereafter referred to as “the Existing Development”). The Parties further acknowledge that the Company has additional cash reserves and cash flow. To secure the monies forwarded by the City, the Company agrees as follows:

i) It shall provide a recorded lien against the Property, subordinate only to the first mortgage (but superior to all other mortgages, liens, notes or pledges whatsoever, other than property taxes or governmental liens that are superior by operation of law). Said lien may be reduced in value or subordinated further upon the approval of the City Manager. Said lien shall be recorded prior to the payment of any monies from the City to the Company. For the convenience of the Parties, the City and the Company may agree to record an initial instrument with a variable loan amount, similar to that utilized commercially for a revolving line of credit (to avoid recording multiple encumbrances for the first and second phases of payment contemplated herein).

ii) The Company shall also provide a corporate undertaking, in form and content acceptable to the City, where the Company provides an unconditional pledge of all Company assets to secure the full amount of the monies forwarded by the City. Said undertaking shall be in a form and content acceptable to the City, and shall be provided prior to the payment of any monies from the City to the Company.

6) The term of the Agreement shall be seven (7) years, with the first date of such seven years falling on the date the first to occur of: 1) six months having passed since the date on which the City provided the Company with a reimbursement payment under this Agreement; or, 2) the first date on which a tenant actually occupies any space within the Development Project on the Property. For the term of the agreement, the Company shall provide a report of the real property and sales taxes paid annually by each tenant within the Development Project each year on January 31st for the prior calendar year for the term of the agreement. The Company further agrees that it shall execute all documents and provide all consents for tenants within the Development Project, including but not limited to power of attorney forms for sales tax reporting data, and shall provide the City with a copy of its property tax bill on an annual basis, to the City to enable the City to calculate the sums to credit against the forgivable loan described above, and shall otherwise cooperate in good faith with such process. In addition, the Company shall provide the City with such other documentation as reasonably requested by the City to confirm compliance with this Agreement and the requirements of applicable laws and ordinances. The failure to reasonably cooperate with the City in determining the amount to credit
against the forgivable loan or to determine compliance with this Agreement shall be an event of default which shall justify termination of this Agreement upon the provision of not less than thirty days notice, and opportunity to cure, to the Company.

7) The Company shall obtain an irrevocable easement for required parking areas from Northern Illinois University ("NIU") at the Company's expense, with such easement providing authorization for parking spots and access to such parking spots, along with utilization of the additional land behind the westerly property line and alongside the northerly property line of the Company parcel to provide enough space for X forty (40) additional parking spaces located adjacent to the Property as depicted in the Site Plan attached as Exhibit B. The Company shall also pay all recapture or other similar charges associated with development of the Property or associated with obtaining access rights to the Property. The Company agrees that it will not, during the term of this Agreement, take any action to challenge, appeal or attempt to reduce the property tax assessment of the Property in any way, provided that the initial assessment of taxes against the property in the first full assessment year after construction of a structure on the property is not at a rate which generates a tax liability totaling an amount greater than $3.75 per square foot.

8) The City of DeKalb agrees to seek redevelopment of NIU property. When and if the City enters into a redevelopment agreement for use of business incentives or tax increment finance district incentives, the City shall undertake lawful and reasonable efforts to seek the implementation of a deed restriction or other similar restriction on the redeveloped NIU property that will restrict the opening or operation of a retail center and/or restaurant for as long as the Company operates a retail center and/or restaurant on the adjoining site that is the subject of this agreement (or for such period as may be allowed by law). Furthermore, if requested by the Company, the City will use reasonable efforts to seek to secure the option of purchase of the property used for parking and parking access on the NIU property for the Company.

9) Subject to the terms of this Agreement, the Company shall invest in the planning, engineering, and construction of its City of DeKalb retail center and/or restaurant facility. The Company shall acquire all required permits and approvals, and all development shall be done in accordance with all applicable laws and regulations.

10) The Company agrees to use commercially reasonable efforts to obtain any licenses, permits, franchises, or other governmental authorizations necessary for the construction of the Development Project and the conduct of its business provided, however, in the event the Company is unable to complete its acquisition of the real property, this Agreement may be terminated by the Company upon written notice to the City. Upon termination by the Company, any portion of the forgivable loan which has been previously paid to the Company (and which has not been credited under paragraph 6 hereof) shall be immediately due and payable from the Company to the City.
11) The Company estimates it will invest approximately $3.1 million dollars in the planning, engineers, construction, furniture, fixtures, and equipment of the retail center and/or restaurant facility in the City of DeKalb.

12) The laws of the State of Illinois shall govern this Agreement, without regard to the conflict of laws provisions of such state. Venue for any dispute arising out of or resulting from this Agreement shall be laid exclusively in the Circuit Court of DeKalb County, Illinois, and the appropriate appellate courts proceeding therefrom; and each party hereby waives to the fullest extent permitted by law any objection it may now or hereafter possess to the personal jurisdiction or venue of such courts. The parties acknowledge that this Agreement and the incentives provided herein shall require compliance with Illinois law, including but not limited to the Prevailing Wage Act. The Company shall utilize a bidder certification in the form attached hereto as Exhibit E, as an integrated component of any contractor agreements relating to the Development Project.

13) This Agreement may be modified or amended by mutual written agreement of the parties, signed by authorized representatives thereof, and any such modification or amendment shall be attached to and become part of this Agreement. No oral agreement or modification shall be binding unless reduced to writing and signed by both parties. This Agreement may not be assigned or transferred without the express, written consent of both parties. This Agreement is expressly limited to be for the benefit of the City and the Company and the parties expressly disclaim any benefit or intended or unintended third party beneficiaries. Any payments due under this Agreement shall be made to the Company alone, and shall not be assignable or alienable, and shall not accrue to the benefit of any third party.

14) Force Majeure. No party will be deemed in breach or default of its obligations on the development and construction of the improvements on the Development Property if the delay is due to cause beyond the control and without the fault or negligence of the party who has the obligation. Upon receiving a written request from the Company, the time for performance may be extended upon approval of the City of such time as it determines would be appropriate under the circumstances. The City agrees not to unreasonably deny, withhold, condition or delay its consent to extend the time.

15) This forgivable loan was loaned by the City of DeKalb for purposes of inducing Pappas/Glasgow Development to bring a retail center and/or restaurant to the City of DeKalb. The parties agree this agreement was bargained for to cover infrastructure and other capital expenditures to bring a retail center and/or restaurant to DeKalb, Illinois. The forgivable loan is not compensation for any other services.

16) Notices: All notices, requests, instructions or other documents must be in writing and delivered by hand, overnight courier, or registered or certified mail, postage prepaid to the following:

City of DeKalb
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signature of their duly authorized representatives as of the dates written below, and effective as of this 26th day of May, 2013:

Pappas-Glasgow Development, LLC

By: [Signature]

Its: [Signature]

City of DeKalb

John Rey, Mayor

Attest:

Elizabeth E. Peerboom, City Clerk
EXHIBIT A
Legal Description of Project Area

Part of Lot "A" of the C.M. Cheatham Subdivision, a resubdivision of part of Assessor's Lot 58 on Section 12, Township 40 North, Range 4 East of the Third Principal Meridian, DeKalb County, Illinois, described as follows: Beginning at the Southeast corner of said Lot "A" (the same being a point on the centerline of the DeKalb-Sycamore Road, said centerline being that centerline in existence before the highway realignment as noted by Plat of Dedication for Highway Purposes, recorded in Book "H" of Plats, page 20, in DeKalb County Recorder's Office); thence Northwesterly along the South line of said Lot "A", a distance of 293.0 feet; thence Northeasterly at an angle of 78 degrees 31 minutes measured counterclockwise from the last described course, a distance of 256.0 feet to a point on a line 15.0 feet Southwesterly as measured at right angles to the North boundary line of said Lot "A"; thence Southwesterly at an angle of 104 degrees 50 minutes measured counterclockwise from the last described course, and parallel with the North line of said Lot "A", a distance of 290.0 feet to the said centerline of the DeKalb-Sycamore Road before said realignment (the same being a point on the East line of said Lot "A"); thence Southwesterly along the said East line of said Lot "A", a distance of 272.22 feet to the point of the beginning.
Exhibit B

Site Plan 1 - Restaurant Option

Proposed Restaurant
Exhibit B

Site Plan 2 - Retail Center Option
Exhibit C

Permitted and Ineligible Uses for Incentives

Permitted Uses for Incentives:

1. Full Service Family Restaurants or Restaurants Greater than 4,000 square feet (Chili’s, TGI Friday’s, Texas Roadhouse, Golden Coral, Red Robin, etc., but not for Hooter’s, Twin Peaks or Tilled Kilt type restaurants)
2. Clothing or apparel stores (Jos. A Bank, Forever 21, Cato, Dots, Discovery Clothing, Dress Barn, Ann Taylor Loft, DSW Shoes, Shoe Carnival, etc.)
3. Higher end or fashion merchandise (Crate & Barrel, Gander Mountain, etc.)
4. Furniture – full line of living, dining, bedroom and related furniture (Ashley Furniture, Lazy-Boy, The Room Place, Meyers, Coopers, etc.)
5. General merchandise (Gordman’s, Carson’s, Penney’s, Kohl’s, Walmart, Target, etc.)
6. Special purpose grocery (Trader Joe’s, The Fresh Market, Gordon Food Service, etc.)
7. New vehicle dealership
8. Other specific uses authorized by the City Manager.

Ineligible Uses for incentives:

1. Fast food and carry out restaurants smaller than 4,000 square feet internal floor space (McDonald’s, Chick-fil-A, Sonic, Five Guys)
2. Auto repair and auto parts, used car sales
3. Beauty parlors and barbershops
4. Gas stations and convenience stores
5. Business and Personal service (accounting, law, financial planning, etc.)
6. Medical and dental facilities
7. Financial institutions
8. Religious and fraternal organizations
9. Taverns
10. Movie theaters
11. Performing arts theatres
12. General purpose grocery stores
13. Any other use.

The Parties acknowledge that the City may unilaterally add additional Permitted Uses without requiring an amendment to this Agreement. The Parties further acknowledge that, in order for a given use to be considered a “Permitted Use” and to thus be eligible for crediting revenue against the forgivable loan contemplated herein, said use must be a “net new” use as determined in the City’s sole and absolute discretion. To be considered a “net new” use, such use must be: 1) a new enterprise, not currently located in the City of DeKalb (or any neighboring community covered by state laws addressing relocation of sales-tax generating businesses); or, 2) a new second location for an existing business (where all current locations
are to be maintained). Uses shall not be considered "net new" uses if: 1) such businesses are relocations from an existing facility in the City of DeKalb or any neighboring community subject to Illinois law addressing relocation of sales-tax generating businesses; or, 2) such businesses are otherwise located in a fashion that is reasonably determined, by the City, to be a replacement or modification of an existing enterprise, rather than a new enterprise or a marked expansion of an existing enterprise.
<table>
<thead>
<tr>
<th>Description</th>
<th>Estimates 5/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recapture Fee to Pappas/Glasgow for access to traffic light to south</td>
<td>$0</td>
</tr>
<tr>
<td>Demolition of Small's (Cap well and remove septic tank)</td>
<td>$48,900</td>
</tr>
<tr>
<td>Engineered fill to raise site to construction grade -- Developer to furnish gravel base and paving</td>
<td>$80,000</td>
</tr>
<tr>
<td>Retaining wall along rear property line with fence and one stair &amp; protective fencing</td>
<td>$25,000</td>
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<tr>
<td>Overlay on NIU Warehouse (mix, till, shape, grind with 2&quot; HMA overlay)</td>
<td>$45,000</td>
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<tr>
<td>On &amp; Offsite Sanitary, Water, Hydrant, &amp; Storm Sewer to direct Runoff past NIU to Pappas/Glasgow detention basin</td>
<td>$175,000</td>
</tr>
<tr>
<td>Contingency (Now Engineering)</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$423,900</strong></td>
</tr>
</tbody>
</table>

The schedule above represents the summary of estimated costs that are potentially eligible for reimbursement to the Company, if otherwise eligible to be reimbursed in accordance with applicable TIF law. The Company is may claim a larger/smaller item reimbursement, as long as the total reimbursements are eligible and do not exceed the total amount.
Exhibit E

Bidder/Contractor Certifications

Employment Status: The Bidder certifies that if any of its personnel are an employee of the State of Illinois, they have permission from their employer to perform the service.

Anti-Bribery: The Bidder certifies it is not barred under 30 Illinois Compiled Statutes 500/50-5(a) - (d) from contracting as a result of a conviction for or admission of bribery or attempted bribery of an officer or employee of the State of Illinois or any other state.

Loan Default: If the Bidder is an individual, the Bidder certifies that he/she is not in default for a period of six months or more in an amount of $600 or more on the repayment of any educational loan guaranteed by the Illinois State Scholarship Commission made by an Illinois institution of higher education or any other loan made from public funds for the purpose of financing higher education (5 ILCS 385/3).

Felony Certification: The Bidder certifies that it is not barred pursuant to 30 Illinois Compiled Statutes 500/50-10 from conducting business with the State of Illinois or any agency as a result of being convicted of a felony.

Barred from Contracting: The Bidder certifies that it has not been barred from contracting as a result of a conviction for bid-rigging or bid rotating under 720 Illinois Compiled Statutes 5/33E or similar law of another state.

Prevailing Wage: The Bidder certifies that it shall comply with all applicable provisions of the Prevailing Wage Act, and further certifies that it is not in violation of said Act and has not been barred from bidding on this proposal by virtue of a past violation of the Act. A copy of the most recent available list of prevailing wages is attached hereto or has been provided to the Bidder. The Bidder is responsible for regularly updating said list as new prevailing wage rates are made available by the City or by the Illinois Department of Labor. The Illinois Department of Labor posts regular updates to prevailing wage rates on its official website, which is currently www.illinois.gov/idoI. This notice is given pursuant to 820 ILCS 130/4 and the balance of the Illinois Prevailing Wage Act, which is incorporated herein by reference as if fully restated.

Drug Free Workplace: The Bidder certifies that it is in compliance with the Drug Free Workplace Act (30 Illinois Compiled Statutes 580) as of the effective date of this contract. The Drug Free Workplace Act requires, in part, that Bidders, with 25 or more employees certify and agree to steps to ensure a drug free workplace by informing employees of the dangers of drug abuse, of the availability of any treatment or assistance program, of prohibited activities and of sanctions that will be imposed for violations; and that individuals with contracts certify that they will not engage in the manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.
Non-Discrimination, Certification, and Equal Employment Opportunity: The Bidder agrees to comply with applicable provisions of the Illinois Human Rights Act (775 Illinois Compiled Statutes 5), the U.S. Civil Rights Act, the Americans with Disabilities Act, Section 504 of the U.S. Rehabilitation Act and the rules applicable to each. The equal opportunity clause of Section 750.10 of the Illinois Department of Human Rights Rules is specifically incorporated herein. The Bidder shall comply with Executive Order 11246, entitled Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented by U.S. Department of Labor regulations (41 C.F.R. Chapter 60). The Bidder agrees to incorporate this clause into all subcontracts under this Contract.

International Boycott: The Bidder certifies that neither it nor any substantially owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 or the regulations of the U.S. Department of Commerce promulgated under that Act (30 ILCS 582).

Record Retention and Audits: If 30 Illinois Compiled Statutes 500/20-65 requires the Bidder (and any subBidders) to maintain, for a period of 3 years after the later of the date of completion of this Contract or the date of final payment under the Contract, all books and records relating to the performance of the Contract and necessary to support amounts charged to the City under the Contract. The Contract and all books and records related to the Contract shall be available for review and audit by the City and the Illinois Auditor General. If this Contract is funded from contract/grant funds provided by the U.S. Government, the Contract, books, and records shall be available for review and audit by the Comptroller General of the U.S. and/or the Inspector General of the federal sponsoring agency. The Bidder agrees to cooperate fully with any audit and to provide full access to all relevant materials.

United States Resident Certification: (This certification must be included in all contracts involving personal services by non-resident aliens and foreign entities in accordance with requirements imposed by the Internal Revenue Services for withholding and reporting federal income taxes.) The Bidder certifies that he/she/it is a: _ United States Citizen or Corporation _ Resident Alien _ Non-Resident Alien The Internal Revenue Service requires that taxes be withheld on payments made to non-resident aliens for the performance of personal services at the rate of 30%.

Tax Payer Certification: Under penalties of perjury, the Bidder certifies that its Federal Tax Payer Identification Number or Social Security Number is ____________ and is doing business as a (check one): _ Individual _ Real Estate Agent _ Sole Proprietorship _ Government Entity _ Partnership _ Tax Exempt Organization (IRC 501(a) only) _ Corporation _ Not for Profit Corporation _ Trust or Estate _ Medical and Health Care Services Provider Corp.

Authorized in Illinois: The Bidder that it is authorized to lawfully transact business in the State of Illinois, under all applicable Illinois laws and regulations. The Bidder certifies that it shall comply with the Corporate Accountability for Tax Administration Act, 20 ILCS 715/1, et. seq. Where applicable, the Bidder certifies that it is not barred from bidding by virtue of having been adjudicated to have committed a willing or knowing violation of Section 42 of the Environmental Protection Act within the five years preceding this bid, pursuant to 415 ILCS 5/1, et. seq. The Bidder
further certifies that it is in compliance with all applicable requirements of the Business Enterprise for Minorities, Females and Persons with Disabilities Act, 30 ILCS 575/1, *et seq.*

**Export Administration, Supplies, Labor:** The Bidder certifies that neither it nor any substantially owned affiliate is participating, nor shall participate, in an international boycott which is in violation of the provisions of the US Export Administration Act of 1979 or the regulations of the US Department of Commerce promulgated under the Act, including but not limited to the requirements of 30 ILCS 582/5. The Bidder further certifies that no foreign made equipment, materials or supplies furnished under the proposal or agreement have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor, nor made in whole or in part by the labor of any child under the age of 12, under penal sanction pursuant to 30 ILCS 583/1 and 30 ILCS 584/1. The Bidder certifies that steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the City Manager grants an exception to said requirement, pursuant to 30 ILCS 565/1, *et seq.*

**General Compliance and Certification:** The Bidder certifies that it has and will comply with all other applicable laws, regulations, ordinances or restrictions applicable to any component of the bidding process, agreement, or any services or materials provided in connection therewith.
City of DeKalb
HOUSING REHABILITATION GRANT PROGRAM
PROMISSORY NOTE
Grant

The undersigned, "Borrower", has applied for and received a grant from the City of DeKalb, Illinois, ("City"), in the amount of Four thousand nine hundred sixty eight and 80/100 Dollars ($4,968.80) the entire amount of which shall be and remain a grant from the City to the Borrower unless the Borrower shall, within five (5) years from the date of the completion of the improvements paid for by this grant and acceptance of the same by the City, convey any interest or transfer ownership in the property described below. The said date of completion; being, the 26 day of December, 2012. If the Borrower, within said five (5) year period of time conveys any interest or transfers ownership in such property, then the Borrower agrees that this grant shall automatically be converted to a loan and repayable to the City under the following terms and conditions:

1. The loan shall be due and payable within thirty (30) days of the Borrower conveying any interest or transferring ownership of the property.

2. Repayment of the loan shall be based on a 1/60 reduction per month of the amount granted as calculated as of the completion date of the property rehabilitation if the transfer or conveyance is voluntary in nature. Voluntary shall mean by sale, lease, failure to use the property as the primary residence of the Borrower or other reason deemed voluntary within the sole discretion of the City.

3. Repayment of the loan may be waived at the discretion of the City if the transfer or conveyance is involuntary in nature. Involuntary shall mean by death, divorce, bankruptcy, medical or other reasons deemed acceptable within the sole determination of the City.

4. If legal action is filed to collect under the terms of this note, Borrower agrees that the City shall be entitled to collect all reasonable costs, fees and expenses of such action, including, but not limited to, reasonable attorney's fees.

5. Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligations of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.
6. The subject property to which the above conditions are applicable to is the following legally described real estate, to wit:

Lot 29 in E.M. Kelley's Subdivision, according to the plat thereof recorded May 2, 1956, as Document No. 28194, in Plat Book "J", page 19, being a subdivision of part of Lot "S" of Gurler's Subdivision in Section 13, 14 and 24, Township 40 North, Range 4 East of the Third Principal Meridian, in DeKalb County, Illinois.

Commonly known as: 1702 Oakwood Avenue, DeKalb, Illinois 60115
PIN: 08-13-355-008

This Note is secured by a mortgage to the City of DeKalb of the same date herewith on real estate located in the County of DeKalb, State of Illinois.

Billy Lewis

Date

STATE OF ILLINOIS )
COUNTY OF DEKALB ) SS

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

Given under my hand and notary seal, this 1 day of January, 2013.

Jamie L. Smirz
Notary Public
The undersigned, "Borrower", has applied for and received a grant from the City of DeKalb, Illinois, ("City"), in the amount of Five thousand and 00/100 Dollars ($5,000.00) the entire amount of which shall be and remain a grant from the City to the Borrower unless the Borrower shall, within five (5) years from the date of the completion of the improvements paid for by this grant and acceptance of the same by the City, convey any interest or transfer ownership in the property described below. The said date of completion; being, the 31 day of March, 2012. If the Borrower, within said five (5) year period of time conveys any interest or transfers ownership in such property, then the Borrower agrees that this grant shall automatically be converted to a loan and repayable to the City under the following terms and conditions:

1. The loan shall be due and payable within thirty (30) days of the Borrower conveying any interest or transferring ownership of the property.

2. Repayment of the loan shall be based on a 1/60 reduction per month of the amount granted as calculated as of the completion date of the property rehabilitation if the transfer or conveyance is voluntary in nature. Voluntary shall mean by sale, lease, failure to use the property as the primary residence of the Borrower or other reason deemed voluntary within the sole discretion of the City.

3. Repayment of the loan may be waived at the discretion of the City if the transfer or conveyance is involuntary in nature. Involuntary shall mean by death, divorce, bankruptcy, medical or other reasons deemed acceptable within the sole determination of the City.

4. If legal action is filed to collect under the terms of this note, Borrower agrees that the City shall be entitled to collect all reasonable costs, fees and expenses of such action, including, but not limited to, reasonable attorney's fees.

5. Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligations of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.
6. The subject property to which the above conditions are applicable is the following legally described real estate, to wit:

Lot 18 in Block 7 in the First Addition to E.M. Kelley’s Subdivision on Section 13, Township 40 North, Range 4 East of the Third Principal Meridian, according to the plat thereof recorded in Book "J" of Plats, page 64, as Document No. 287036, being situated in the City of DeKalb, County of DeKalb and the State of Illinois.

Commonly known as: 1504 E. Dresser Road, DeKalb, Illinois 60115
PIN: 08-13-303-017

This Note is secured by a mortgage to the City of DeKalb of the same date herewith on real estate located in the County of DeKalb, State of Illinois.

Kimberly McCaslin

Date

STATE OF ILLINOIS )
COUNTY OF DEKALB ) SS

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

Given under my hand and notary seal, this 18 day of May, 2012.

Jamie L. Smirz
Notary Public
City of DeKalb
HOUSING REHABILITATION GRANT PROGRAM
PROMISSORY NOTE

Grant

The undersigned, "Borrower", has applied for and received a grant from the City of DeKalb, Illinois, ("City"), in the amount of Five thousand two hundred eighty two and 00/100 Dollars ($5,282.00) the entire amount of which shall be and remain a grant from the City to the Borrower unless the Borrower shall, within five (5) years from the date of the completion of the improvements paid for by this grant and acceptance of the same by the City, convey any interest or transfer ownership in the property described below. The said date of completion; being, the 3 day of May, 2013. If the Borrower, within said five (5) year period of time conveys any interest or transfers ownership in such property, then the Borrower agrees that this grant shall automatically be converted to a loan and repayable to the City under the following terms and conditions:

1. The loan shall be due and payable within thirty (30) days of the Borrower conveying any interest or transferring ownership of the property.

2. Repayment of the loan shall be based on a 1/60 reduction per month of the amount granted as calculated as of the completion date of the property rehabilitation if the transfer or conveyance is voluntary in nature. Voluntary shall mean by sale, lease, failure to use the property as the primary residence of the Borrower or other reason deemed voluntary within the sole discretion of the City.

3. Repayment of the loan may be waived at the discretion of the City if the transfer or conveyance is involuntary in nature. Involuntary shall mean by death, divorce, bankruptcy, medical or other reasons deemed acceptable within the sole determination of the City.

4. If legal action is filed to collect under the terms of this note, Borrower agrees that the City shall be entitled to collect all reasonable costs, fees and expenses of such action, including, but not limited to, reasonable attorney’s fees.

5. Presentment, notice of dishonor, and protest are hereby waived by all makers, sureties, guarantors and endorsers hereof. This Note shall be the joint and several obligations of all makers, sureties, guarantors and endorsers, and shall be binding upon them and their successors and assigns.
6. The subject property to which the above conditions are applicable to is the following legally described real estate, to wit:

Lot 6 in Block 2 in Tyler's Addition to the City of DeKalb, DeKalb County, Illinois.

Commonly known as: 403 Gurler, DeKalb, Illinois 60115
PIN: 08-22-401-004

This Note is secured by a mortgage to the City of DeKalb of the same date herewith on real estate located in the County of DeKalb, State of Illinois.

Kimberly Wales
5-27-13
Date

STATE OF ILLINOIS
COUNTY OF DEKALB

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

Given under my hand and notary seal, this 27 day of May, 2013.

Jamie L. Smirz
Notary Public
Development Agreement

By and Between the City of DeKalb and Lincoln Inn Family Restaurant, Inc.

WHEREAS, representatives of the Lincoln Inn Family Restaurant, Inc., (hereinafter “the Company”) have expressed interest in developing a Fourteen Thousand Two Hundred Eighty Five (14,285) square foot banquet facility (hereinafter “the Banquet Facility”) in the city of DeKalb, IL (hereinafter “the City”); AND

WHEREAS, the City is under financial constraints and the sales taxes would be directed to the City’s General Fund, AND

WHEREAS, the location of the Banquet Facility will be in the City’s Central Area Tax Increment Finance Redevelopment Plan and will redevelop the property at 302 Grove Street, generating increased property taxes and employment; AND

WHEREAS, the City has adopted Business Incentive Program guidelines by Resolution #12-50, on April 23, 2012, AND

WHEREAS, the Economic Development Committee (hereinafter “the EDC”) examined the estimated levels of job creation and capital investment to be made by the Company and determined that in the present economy recommends that the offer of certain incentives was appropriate.

WHEREAS, the City Council has examined the EDC’s findings and recommendation, along with the underlying supporting information, and has concluded that the City has the legal authority to offer certain incentives and is appropriate.

NOW, THEREFORE, in consideration of the promises and mutual covenants contained herein and to memorialize the responsibilities of both parties, the Company and the City of DeKalb, intending to be legally bound hereby, agree as follows:

1) The City is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended, to finance redevelopment project costs and to conduct redevelopment and construction activities in connection with redevelopment project areas established in accordance with the Act.

2) Pursuant to the Act, the City has adopted various ordinances creating the Central Area Tax Increment Redevelopment and Redevelopment Plan and Project, with respect to the redevelopment project area referred to therein.

3) Subject to satisfying contingencies in its contract to purchase the real property from a third-party, the Company will purchase real property located in the City of DeKalb, Illinois, which real property is more fully described in the attached legal description (see Exhibit A, describing “the Property”) between the parties, that will house the Banquet
Facility. In the event that the Company fails to purchase or acquire the property within Ninety (90) days of the date of this Agreement, this Agreement shall be null and void.

4) Forgivable Loan Incentive: Based upon the representations, inducements and commitments by the Company, both set forth herein and in other representations made in documents provided to the City of DeKalb by the Company, the City of DeKalb agrees to provide the following financial assistance and incentives to the Company: the City of DeKalb shall provide a forgivable loan of Three Hundred Fifty Five Thousand And No/100ths Dollars ($355,000.00) to the Company to assist the Company to buy property located at 302 Grove Street which consists of lot(s) to build and establish its Banquet Facility at this location in City of DeKalb on the terms and conditions described herein, to maintain and expand the following described Banquet Facility operations in City of DeKalb, and having employed not less than 15 full time equivalent employees. The forgivable loan shall be funded once the Company provides proof of project completion, which shall consist of a copy of the Certificate of Occupancy for the building constructed on the premises, final waiver of lien from the general contractor and all subcontractors and materialmen for the construction contract(s) (for an adequate portion of the Development Project to demonstrate that the funding contemplated herein will not exceed 20% of project costs), provision of certified payroll records in compliance with the Prevailing Wage Act for any improvements funded under this Agreement (and such other documentation evidencing project completion as shall be requested by the City), and copies of all licenses and permits required to open and operate the Banquet Facility on the Property. The Forgivable Loan Incentive shall not exceed twenty percent (20%) of the Total Project Costs for redevelopment of the Property, which costs shall be permitted to include: Land acquisition, Street (Re)Construction & Related Improvements (e.g., signalization, turning lanes, etc.), Building Renovations, Environmental Remediation Activities, Storm Sewer, Sanitary Service & Water System Improvements, Architectural/Engineering Services, and Site improvement costs. The Company shall provide proof, to the City’s reasonable satisfaction, of Total Project Costs to demonstrate compliance with this Agreement. Total Project Costs shall be defined to include: Land & building Costs, leasehold improvements, landscaping and parking lot improvements, bar/kitchen equipment & furniture, professional services, organizational and development services, interior/exterior finishes and equipment, pre-opening expenses, working capital and contingencies, and other site improvements that will be replaced and modified. All project costs must be eligible project costs, incurred and paid in compliance with all applicable regulations (including but not limited to those applicable to projects paid with revenue from a TIF District and those applicable to projects paid with public funding), in order to be eligible for inclusion in reimbursed project costs. The City will use the schedule contained in Exhibit C for guidance on the eligible cost.

5) Repayment of Forgivable Loan Incentive: One Hundred percent (100%) of all reported sales tax receipts (including City of DeKalb Restaurant and Bar Tax receipts) and New Property Tax Receipts from the Property, beginning on and after the date of issuance of the final certificate of occupancy, which are actually received by the City within the term of this Agreement, shall be credited against the forgivable loan until it is repaid in full. Any balance of the forgivable loan which remains unpaid upon the expiration of this
The term of the Agreement shall be seven (7) years, with the first date of such seven years falling on the date of issuance of the final certificate of occupancy for the Banquet Facility on the Property. For the term of the agreement, the Company shall provide a report of the real property and sales taxes paid annually by the Banquet Facility each year on January 31st for the prior calendar year for the term of the agreement. The Company further agrees that it shall execute all documents and provide all consents for the Banquet Facility, including but not limited to power of attorney forms for sales tax reporting data, and shall provide the City with a copy of its property tax bill on an annual basis, to the City to enable the City to calculate the sums to credit against the forgivable loan described above, and shall otherwise cooperate in good faith with such process. In addition, the Company shall provide the City with an annual affidavit certifying that it has maintained the 15 full-time equivalent employees contemplated herein, and shall provide such other documentation as reasonably requested by the City to confirm the same. The failure to reasonably cooperate with the City in determining the amount to
credit against the forgivable loan or to determine compliance with this Agreement shall be an event of default which shall justify termination of this Agreement upon the provision of not less than thirty days notice, and opportunity to cure, to the Company. The Company agrees that it will not, during the term of this Agreement, take any action to challenge, appeal or attempt to reduce the property tax assessment of the Property in any way.

8) Subject to the terms of this Agreement, the Company shall invest in the planning, engineering, and construction of its City of DeKalb Banquet Facility.

9) The Company agrees to use commercially reasonable efforts to obtain any licenses, permits, franchises, or other governmental authorizations necessary for the construction of the Banquet Facility and the conduct of its business provided, however, in the event the Company is unable to complete its acquisition of the real property, this Agreement may be terminated by the Company upon written notice to the City. Upon termination by the Company, any portion of the forgivable loan which has been previously paid to the Company (and which has not been credited under paragraph 6 hereof) shall be immediately due and payable from the Company to the City. The Company shall acquire all required permits and approvals, and all development shall be done in accordance with all applicable laws and regulations.

10) The Company estimates it will invest approximately $1.87 million dollars in the planning, engineers, land acquisition, construction, furniture, fixtures, and equipment of the Banquet Facility in the City of DeKalb.

11) The laws of the State of Illinois shall govern this Agreement, without regard to the conflict of laws provisions of such state. Venue for any dispute arising out of or resulting from this Agreement shall be laid exclusively in the Circuit Court of DeKalb County, Illinois, and the appropriate appellate courts proceeding therefrom; and each party hereby waives to the fullest extent permitted by law any objection it may now or hereafter possess to the personal jurisdiction or venue of such courts. The parties acknowledge that this Agreement and the incentives provided herein shall require compliance with Illinois law, including but not limited to the Prevailing Wage Act.

12) This Agreement may be modified or amended by mutual written agreement of the parties, signed by authorized representatives thereof, and any such modification or amendment shall be attached to and become part of this Agreement. No oral agreement or modification shall be binding unless reduced to writing and signed by both parties. This Agreement may not be assigned or transferred without the express, written consent of both parties. The parties acknowledge that this Agreement and the incentives provided herein shall require compliance with Illinois law, including but not limited to the Prevailing Wage Act. The Company shall utilize a bidder certification in the form
attached hereto as Exhibit D, as an integrated component of any contractor agreements relating to the Development Project.

13) Force Majeure. No party will be deemed in breach or default of its obligations on the development and construction of the improvements on the Development Property if the delay is due to cause beyond the control and without the fault or negligence of the party who has the obligation. Upon receiving a written request from GMRI, the time for performance may be extended upon approval of the City of such time as it determines would be appropriate under the circumstances. The City agrees not to unreasonably deny, withhold, condition or delay its consent to extend the time. This Agreement is expressly limited to be for the benefit of the City and the Company and the parties expressly disclaim any benefit or intended or unintended third party beneficiaries. Any payments due under this Agreement shall be made to the Company alone, and shall not be assignable or alienable, and shall not accrue to the benefit of any third party.

14) This forgivable loan was loaned by the City of DeKalb for purposes of inducing Lincoln Inn, Inc. to bring a Banquet Facility to the City of DeKalb. The parties agree this agreement was bargained for to cover infrastructure and other capital expenditures to bring a Banquet Facility to DeKalb, Illinois. The forgivable loan is not compensation for any other services.

16) Notices: All notices, requests, instructions or other documents must be in writing and delivered by hand, overnight courier, or registered or certified mail, postage prepaid to the following:

City of DeKalb
200 South Fourth Street
DeKalb, IL 60115
Attention: City Manager

Lincoln Inn Family Restaurant, Inc.
Bill & Joy McMahon
240 East Lincoln Highway
DeKalb, Illinois, 60115

17) Landscaping and Appearance: Prior to disbursement of any funds under this Agreement, and as a condition precedent to funding eligibility, the Company shall provide a landscaping plan in form and content acceptable to the City's Principal Planner, stamped by a landscape architect and demonstrating the intent to place landscaping in compliance with City Codes and acceptable to the Principal Planner. The Company shall then place and plant all required landscaping within six months of the date of approval of said landscaping plan, and shall thereafter maintain all such landscaping. Failure to comply with this Section 17 shall be an event of default which shall justify termination of this Agreement upon provision of thirty days written notice.
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signature of their duly authorized representatives as of the dates written below:

Lincoln Inn Family Restaurant, Inc.

By: ____________________

Its: ____________________

City of DeKalb

__________________________
John Rey, Mayor

Attest:

__________________________
Elizabeth E. Peerboom, City Clerk
EXHIBIT A
Legal Description of Project Area

Permanent Index Nos. 08-23-304-001 and 08-23-304-002:

LOTS 1,2,3,4 AND 5 IN BLOCK 16 IN THE ORIGINAL TOWN (NOW CITY) OF DEKALB,
ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "A" OF PLATS, PAGE 8-1/4 ON DECEMBER 19, 1853 SITUATED IN DEKALB COUNTY, ILLINOIS.
Exhibit B

Interior Site Plan
## Exhibit C

**List of TIF Eligible Improvements**

<table>
<thead>
<tr>
<th></th>
<th>302 Grove Street</th>
</tr>
</thead>
<tbody>
<tr>
<td>Land Acquisition</td>
<td>$181,500.00</td>
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<tr>
<td>Architect Fees</td>
<td>$25,000.00</td>
</tr>
<tr>
<td>Civil Engineer</td>
<td>$2,500.00</td>
</tr>
<tr>
<td>Dumpster/demo</td>
<td>$90,000.00</td>
</tr>
<tr>
<td>Ceiling</td>
<td>$45,000.00</td>
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<tr>
<td>Flooring</td>
<td>$50,700.00</td>
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<tr>
<td>Drywall</td>
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<tr>
<td>Painting</td>
<td>$12,500.00</td>
</tr>
<tr>
<td>Studs &amp; Walls</td>
<td>$60,000.00</td>
</tr>
<tr>
<td>Doors/hardware</td>
<td>$20,000.00</td>
</tr>
<tr>
<td>Structure</td>
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<tr>
<td>Banquet Walls</td>
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</tr>
<tr>
<td>Plumbing</td>
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</tr>
<tr>
<td>Sprinklers</td>
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<td>$135,000.00</td>
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<tr>
<td>Roofing</td>
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</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$1,079,700.00</strong></td>
</tr>
</tbody>
</table>

The schedule above represents the summary of estimated costs that are potentially eligible for reimbursement to the Company, if otherwise eligible to be reimbursed in accordance with applicable TIF law. The Company is may claim a larger/smaller item reimbursement, as long as the total reimbursements are eligible and do not exceed the total amount.
Exhibit D

Bidder/Contractor Certifications

Employment Status: The Bidder certifies that if any of its personnel are an employee of the State of Illinois, they have permission from their employer to perform the service.

Anti-Bribery: The Bidder certifies it is not barred under 30 Illinois Compiled Statutes 500/50-5(a) - (d) from contracting as a result of a conviction for or admission of bribery or attempted bribery of an officer or employee of the State of Illinois or any other state.

Loan Default: If the Bidder is an individual, the Bidder certifies that he/she is not in default for a period of six months or more in an amount of $600 or more on the repayment of any educational loan guaranteed by the Illinois State Scholarship Commission made by an Illinois institution of higher education or any other loan made from public funds for the purpose of financing higher education (5 ILCS 385/3).

Felony Certification: The Bidder certifies that it is not barred pursuant to 30 Illinois Compiled Statutes 500/50-10 from conducting business with the State of Illinois or any agency as a result of being convicted of a felony.

Barred from Contracting: The Bidder certifies that it has not been barred from contracting as a result of a conviction for bid-rigging or bid rotating under 720 Illinois Compiled Statutes 5/33E or similar law of another state.

Prevailing Wage: The Bidder certifies that it shall comply with all applicable provisions of the Prevailing Wage Act, and further certifies that it is not in violation of said Act and has not been barred from bidding on this proposal by virtue of a past violation of the Act. A copy of the most recent available list of prevailing wages is attached hereto or has been provided to the Bidder. The Bidder is responsible for regularly updating said list as new prevailing wage rates are made available by the City or by the Illinois Department of Labor. The Illinois Department of Labor posts regular updates to prevailing wage rates on its official website, which is currently www.illinois.gov/idol. This notice is given pursuant to 820 ILCS 130/4 and the balance of the Illinois Prevailing Wage Act, which is incorporated herein by reference as if fully restated.

Drug Free Workplace: The Bidder certifies that it is in compliance with the Drug Free Workplace Act (30 Illinois Compiled Statutes 580) as of the effective date of this contract. The Drug Free Workplace Act requires, in part, that Bidders, with 25 or more employees certify and agree to take steps to ensure a drug free workplace by informing employees of the dangers of drug abuse, of the availability of any treatment or assistance program, of prohibited activities and of sanctions that will be imposed for violations; and that individuals with contracts certify that they will not engage in the manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.
Non-Discrimination, Certification, and Equal Employment Opportunity: The Bidder agrees to comply with applicable provisions of the Illinois Human Rights Act (775 Illinois Compiled Statutes 5), the U.S. Civil Rights Act, the Americans with Disabilities Act, Section 504 of the U.S. Rehabilitation Act and the rules applicable to each. The equal opportunity clause of Section 750.10 of the Illinois Department of Human Rights Rules is specifically incorporated herein. The Bidder shall comply with Executive Order 11246, entitled Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented by U.S. Department of Labor regulations (41 C.F.R. Chapter 60). The Bidder agrees to incorporate this clause into all subcontracts under this Contract.

International Boycott: The Bidder certifies that neither it nor any substantially owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 or the regulations of the U.S. Department of Commerce promulgated under that Act (30 ILCS 582).

Record Retention and Audits: If 30 Illinois Compiled Statutes 500/20-65 requires the Bidder (and any subBidders) to maintain, for a period of 3 years after the later of the date of completion of this Contract or the date of final payment under the Contract, all books and records relating to the performance of the Contract and necessary to support amounts charged to the City under the Contract. The Contract and all books and records related to the Contract shall be available for review and audit by the City and the Illinois Auditor General. If this Contract is funded from contract/grant funds provided by the U.S. Government, the Contract, books, and records shall be available for review and audit by the Comptroller General of the U.S. and/or the Inspector General of the federal sponsoring agency. The Bidder agrees to cooperate fully with any audit and to provide full access to all relevant materials.

United States Resident Certification: (This certification must be included in all contracts involving personal services by non-resident aliens and foreign entities in accordance with requirements imposed by the Internal Revenue Services for withholding and reporting federal income taxes.) The Bidder certifies that he/she/it is a: United States Citizen or Corporation _ Resident Alien _ Non-Resident Alien The Internal Revenue Service requires that taxes be withheld on payments made to non-resident aliens for the performance of personal services at the rate of 30%.

Tax Payer Certification: Under penalties of perjury, the Bidder certifies that its Federal Tax Payer Identification Number or Social Security Number is ___________ and is doing business as a (check one): _ Individual _ Real Estate Agent _ Sole Proprietorship _ Government Entity _ Partnership _ Tax Exempt Organization (IRC 501(a) only) _ Corporation _ Not for Profit Corporation _ Trust or Estate _ Medical and Health Care Services Provider Corp.

Authorized in Illinois: The Bidder that it is authorized to lawfully transact business in the State of Illinois, under all applicable Illinois laws and regulations. The Bidder certifies that it shall comply with the Corporate Accountability for Tax Administration Act, 20 ILCS 715/1, et. seq. Where applicable, the Bidder certifies that it is not barred from bidding by virtue of having been adjudicated to have committed a willing or knowing violation of Section 42 of the Environmental Protection Act within the five years preceding this bid, pursuant to 415 ILCS 5/1, et. seq. The Bidder
further certifies that it is in compliance with all applicable requirements of the Business Enterprise for Minorities, Females and Persons with Disabilities Act, 30 ILCS 575/1, et seq.

Export Administration, Supplies, Labor: The Bidder certifies that neither it nor any substantially owned affiliate is participating, nor shall participate, in an international boycott which is in violation of the provisions of the US Export Administration Act of 1979 or the regulations of the US Department of Commerce promulgated under the Act, including but not limited to the requirements of 30 ILCS 582/5. The Bidder further certifies that no foreign made equipment, materials or supplies furnished under the proposal or agreement have been or will be produced in whole or in part by forced labor, convict labor, or indentured labor, nor made in whole or in part by the labor of any child under the age of 12, under penal sanction pursuant to 30 ILCS 583/1 and 30 ILCS 584/1. The Bidder certifies that steel products used or supplied in the performance of a contract for public works shall be manufactured or produced in the United States, unless the City Manager grants an exception to said requirement, pursuant to 30 ILCS 565/1, et seq.

General Compliance and Certification: The Bidder certifies that it has and will comply with all other applicable laws, regulations, ordinances or restrictions applicable to any component of the bidding process, agreement, or any services or materials provided in connection therewith.
AGREEMENT made this 25 day of June 2012, by and between the City of DeKalb, Illinois, an Illinois Municipal Corporation, (hereinafter referred to as "City") and the Ellwood House Association, Inc., an Illinois not-for-profit Corporation (hereinafter referred to as “EHA”.)

RE bâtals

WHEREAS, the City has determined that there is an on-going need to provide services to historically preserve its heritage and maintain venues for visitors and residents alike; and,

WHEREAS, the City recognizes that EHA provide such services to the citizens and visitors to the City of DeKalb; and,

WHEREAS, EHA is capable of and desires to provide such services; and,

WHEREAS, the City has implemented a Tax Increment Redevelopment Plan (hereinafter referred to as the "Plan") pursuant to the Illinois Tax Increment Allocation Redevelopment Act (hereinafter referred to as the "Act"); and,

WHEREAS, the City wishes to assist other agencies with projects that will enhance the overall redevelopment of the project area and the community; and,

WHEREAS, EHA is a local not for profit agency and needs assistance with improvements at Ellwood House Campus (hereinafter referred to as “Premises”), 509 North First Street., which is located within the Redevelopment Project Area covered by the Plan; and,

WHEREAS, said building and property improvements are eligible redevelopment project costs under the Act; and,

WHEREAS, to assist EHA with these redevelopment projects thereby promoting the goals and objectives of the tax increment finance program of the City, the City desires to grant to the EHA funding in the amount of Seventy Five Thousand and No/100 Dollars ($75,000) per year, annually for Fiscal Years 2013-2017 (a total of $375,000.00) to pay for projects as they are identified herein.

NOW THEREFORE, the parties agree as follows:

1. FUNDING: Beginning in Fiscal Year 2013, the City shall grant to the EHA the amount of Seventy Five Thousand and No/100 Dollars ($75,000) per year, annually for the term of this agreement.

EHA hereby certifies that no portion of the monies to be received from the City through this Agreement shall be used for payment of any debt owed by the EHA at the time of execution.
of this document nor for any other purpose other than the purposes which are specifically provided for payment by the City as identified within this agreement, and purposes which are both permissible expenditures from a Tax Increment Financing District for items that are incurred and paid in accordance with applicable law.

2. ELIGIBLE USE OF FUNDS: All monies allocated by the City to EHA through its Tax Increment Finance program shall be used solely and exclusively for projects that are approved, in advance, by the City of DeKalb. For purposes of this section, EHA shall seek approval of a project before incurring project expenses, by submitting a description of the proposed project and anticipated cost to the Assistant City Manager, providing such information as he shall deem necessary. The Assistant City Manager is and shall be authorized to approve of any proposed expenditure. Notwithstanding any contrary provision of this Agreement, the potential liability of the City under the terms of this agreement shall not exceed the lesser of: 1) the $75,000 per year allocated herein; 2) the amount of revenue available from City of DeKalb Central Area TIF which has not been pledged for any other purpose; or, 3) the maximum amount of a proposed project that is eligible for expenditure from the TIF District funding. The City and EHA agree and acknowledge that the obligations herein require future City action to levy taxes and to appropriate funds to satisfy the obligations of this Agreement. EHA acknowledges that, in the event the City for any reason fails or refuses to levy or appropriate funds in accordance with the requirements of this Agreement, any further or future funding obligation of the City shall terminate immediately. The City’s obligation hereunder, at any time, shall be limited to the amount of funding that has been previously levied and appropriated for this purpose on an annual basis, which remains unspent as of the time of pre-approval by the City.

EHA hereby certifies it shall comply with all provisions for the public bidding of projects whose cost shall exceed twenty thousand dollars ($20,000) and shall obtain a minimum of two (2) cost quotes for all projects under that amount, unless specifically permitted otherwise by the City of DeKalb. EHA certifies that all contractors employed to complete the improvements described herein shall pay their employees the appropriate prevailing wage rate then in effect, and shall otherwise comply with City of DeKalb purchasing and bidding policies and requirements, including the submittal of certified payroll records to the City of DeKalb prior to reimbursement.

EHA agrees that it will not allow any mechanics liens, or public fund/bond claims or liens to be recorded against Premises. If, because of any act or omission of EHA, any mechanic’s lien or other lien or order for payment of money shall be filed against the Premises, or other improvements there or against City, EHA at EHA’s sole expense, shall cause the same to be cancelled and discharged or bonded (to the City’s satisfaction) within (60) days after the date of filing thereof. EHA shall indemnify and save harmless City against all costs, expenses, claims, losses, or damages resulting there from.

For any project that is approved by the Assistant City Manager, EHA shall thereafter incur the eligible expenses, and shall process all invoices and documentation relating to the expenses. Such documentation shall be submitted to the City, including final waivers of lien and certified payroll records of all contractors, along with a payment request. Once the payment request and documentation is in a form acceptable to the Assistant City Manager,
the City shall directly pay the EHA. In the event that the City determines to approve a
payment prior to receiving final payment waivers, EHA shall provide such waivers after
making final payment, within ten business days of the date on which the City provides
funding. All proceeds forwarded by the City shall be exclusively used for the purposes
approved by the City under this Agreement, and any proceeds unspent for such purposes
shall be refunded to the City.

3. INSURANCE: EHA shall acquire and maintain in full force and effect during the term of
this Agreement, policies of insurance in connection with at the Premises including, but not
limited to public liability insurance, personal injury insurance, theft, building contents, and
worker’s compensation insurance. EHA will provide the City of DeKalb with Certificates of
Insurance on each such policy and the City shall be additional primary insured under each
such policy. Each policy must contain the provision that City shall receive written notice
(30) days in advance of any action by the insurance company to non-renew or cancel such
policy. Comprehensive general liability insurance policies shall have a minimum limit of
two million dollars ($2,000,000) per person/per occurrence.

4. INTENTIONALLY OMITTED.

5. SUBMISSION OF REQUIRED DOCUMENTATION: EHA shall submit Copies of any
board meeting minutes of any meeting where the receipt or use of City funding is discussed
or acted upon within thirty (30) days of the approval of such documents. Further, EHA shall
submit the following list of information prior to any payment by the City to EHA or
September 1, 2012, whichever occurs first, and shall thereafter provide updated copies of
such documents on an annual basis (and shall provide copies of the certificates of insurance
at least 30 days prior to the expiration of the then-previous certificate).

   A. A copy of EHA’s approved annual budget
   B. A copy of EHA’s Auditor’s Report
   C. Certificates of Insurance on all insurance policies.

6. STATUS REPORT. EHA shall make an oral year-end status report to the City Council
no later than the first City Council meeting in May of each year for the term of this
agreement, which shall summarize all activities and rehabilitation projects undertaken by the
organization during the term of the preceding fiscal year. EHA shall also provide such other
and additional documentation as may be required by the City from time to time, to evidence
the status of its operations, the condition of the premises at 509 North First Street, or EHA’s
compliance with this agreement or any other agreement between EHA and the City.

7. FAILURE TO PERFORM. This Agreement may be declared null and void by either
EHA or the City should either party fail to meet any of the terms and conditions noted herein,
within thirty (30) days of written notification of same by the other party, and during which
time the other party has not complied with this Agreement’s provisions and conditions.

8. EQUAL OPPORTUNITY. EHA shall not discriminate in its employment, operations, or
business practices on the basis of race, creed, color, sex, military service status, age, national
origin, matriculation, sexual orientation or disability.
9. DRUG FREE WORKPLACE. EHA shall operate under the terms and conditions of the City's adopted Drug Free Workplace policy during the term of this Agreement.

10. TERM OF AGREEMENT. This Agreement shall be in effect from July 1, 2013 to June 30, 2017.

11. TERMINATION. Either party may terminate this Agreement upon not less than thirty (30) days written notice to the other party. This Agreement shall automatically terminate in the event that the City fails or refuses to levy, receive or appropriate funds required hereunder. In the event of termination prior to June 30, 2017, EHA shall comply with all applicable requirements for any funds provided prior to the date of termination, including the maintenance of insurance coverage naming the City as additional primary insured, and including compliance with applicable bidding and prevailing wage requirements.

12. JURISDICTION AND VENUE. Any dispute arising out of or relating to this Agreement shall have its jurisdiction and venue exclusively fixed in the Circuit Court of DeKalb County, Illinois.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date so shown at the beginning.

CITY OF DEKALB

Kris Povlsen
Mayor

Brian Reis
Director

Ellwood House Association, Inc.

Diane Wright
City Clerk

CITY OF DEKALB
STATE OF ILLINOIS
EXHIBIT "1"

DEVELOPMENT AGREEMENT

THIS AGREEMENT entered into this 11th day of February, 2013 between the City of DeKalb, Illinois, a home rule municipality, (hereinafter referred to as "the CITY"), and the following designated owner ("OWNER"), to wit:

Name of Owner: Debutantes School of Cosmetology & Nail Technology, LLC
Address of Property to be improved: 145 North Third Street, DeKalb, IL 60115

WITNESSETH:

WHEREAS, the City is implementing a Tax Increment Redevelopment Plan (hereinafter referred to as the "Plan") pursuant to the Illinois Tax Increment Allocation Redevelopment Act (hereinafter referred to as the "Act"); and,

WHEREAS, the City wishes to assist other agencies with projects that will enhance the overall redevelopment of the project area and the community; and,

WHEREAS, the property located at 145 North Third Street was originally built as a movie theatre in 1949 and the original marquee is still intact but in need of repair; and,

WHEREAS, the Owner is in need of assistance with improvements at the facility located within the Redevelopment Project Area covered by the Plan to restore as much of the sign back to its original condition. Restoration of the art deco marquee will provide educational and visitor opportunities as well as improve the overall landscape of Third street and the Downtown as a whole; and,

WHEREAS, said building improvements are eligible redevelopment project costs under the Act; and,

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

A. That the CITY shall reimburse the costs of the proposed improvements to the subject property, in an amount not to exceed $90,500 (the Owner has identified additional possible costs ("the Contingency") which may be required to complete the project in an amount not to exceed $15,000 (which amount is included in the not-to-exceed price of $90,500, outlined above)). In no event shall the City be responsible for reimbursement of more than $90,500. In the event that the Owner encounters conditions that invoke the Contingency, the Owner shall notify the City prior to incurring any such expense, and the City Manager shall be authorized to approve City’s reimbursement of the expense. Any such authorization, if granted, shall be in writing, and must be issued prior to the Owner’s incurring additional costs. The City shall not be obligated to approve such Contingency. The funding paid, provided, waived and/or forgiven by the City to the Owner shall be considered a Forgivable Loan, subject to the following terms:

B. That OWNER agrees to install, or cause to be installed, all improvements set forth within the accompanying application materials, descriptions and drawings, and agrees that all improvements shall be completed within one (1) calendar year from the date of the project’s approval by the City Council, and in such a manner as to comply with all conditions of approval of this Agreement, and in accordance with all pertinent regulations, ordinances, or codes of the City of DeKalb or other authority having jurisdiction over subject property;
C. That, upon submittal of appropriate receipts paid, any necessary final lien waivers, certified payroll records of contractors, and verification that the improvements have been completed as proposed and are fully operational and illuminated in accordance with the proposal presented to the DeKalb City Council, the CITY shall pay the actual costs of the improvements, in amounts not exceeding the value stated in Paragraph A, above, as follows:

1. No reimbursements or payments shall be made until the project is paid, documented, completed and operational, as required above, to the satisfaction of the City ("the Completion Date").

2. On or after the Completion Date, the City shall reimburse the OWNER 50% of the cost of the sign and (any associated approved Contingency costs), subject to the not-to-exceed limits described above.

3. On or after the Completion Date, the City shall pay the remaining 50% of the cost of the sign and (any associated approved Contingency costs), subject to the not-to-exceed limits described above directly to the sign contractor performing the work in question. Notwithstanding the foregoing, the Owner agrees and acknowledges that this payment shall be made at its express request and direction (which direction is provided by executing this Agreement), as a payment on behalf of Owner, of funds lent to Owner under the terms of this Agreement, in satisfaction of an agreement solely between Owner and the sign contractor.

All monies allocated by the CITY to the OWNER through its Tax Increment Finance program shall be used solely and exclusively for the installation of the new marquee sign and associated contingency costs that are approved, in advance, by the City of DeKalb. The CITY shall have up to twenty working days to disburse such amounts after receipt and approval of all necessary documentation, subject to standard CITY policies and procedures. The Owner acknowledges that, as a condition precedent to receiving any payment from the City, the improvements must be fully completed and the sign must be in continuous operation in accordance with subparagraph (F), below;

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

E. That any outstanding code violations of the property to which the improvements were made must be repaired prior to the City releasing funds for reimbursement; the Owner agrees to permit access to and inspection of the premises by any City personnel for the purpose of verifying compliance with this requirement at any time prior to the date on which reimbursement is made. Notwithstanding any other provisions of this Agreement, the City shall make no payments to any person, firm, or corporation who is a debtor to the City of DeKalb, as defined in Chapter 54, Section 54.15, Purchasing and Letting of Contracts, Subsection g;

F. OWNER agrees to maintain all improvements for a period of five (5) years from the date of reimbursement by the CITY, except for minor changes such as repainting or other maintenance items, or the continuation of further improvements to the building, provided said improvements do not conflict with or interfere with the improvements funded by this Program. In addition, OWNER agrees to operate the lights on the marquee from dark until twelve p.m. daily and pay all associated utility costs, for a minimum period of five (5) years from the date of reimbursement by the CITY, at its sole cost and expense. Owner further agrees that, in the event it sells or otherwise transfers the building, the requirement that the sign be maintained illuminated and operational as contemplated within this subparagraph (F) shall be binding upon any successor owner(s), and Owner shall undertake all steps necessary to validly execute an assignment of this Agreement in form and content acceptable to the City;
G. OWNER agrees that any minor changes or further improvements, as outlined above, shall only be made after approval by the City Manager, or designee thereof, who may refer the proposed changes to the City Council of the CITY for final approval. Such approval shall not be unreasonably withheld if the proposed changes do not substantially alter the original design concept of the appearance of the subject property as specified in the plans, design drawings and specifications approved pursuant to this Agreement;

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

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

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

K. If the OWNER fails to complete or cause the completion of the work subject to the terms of this Agreement or fails to comply with any other terms of this Agreement, the CITY will provide written notice to the OWNER, served in person or by certified mail to the address on this Agreement above, and the OWNER will have thirty (30) days to cure the breach. Failure to cure the breach within 30 days will cause this Agreement to be terminated and the financial obligation on the part of the CITY shall cease and become null and void;

L. If the OWNER removes or fails to maintain all improvements for which reimbursement by CITY is provided under the terms of this Agreement, then upon written notice being given by the City Manager to the OWNER, served in person or by certified mail to the address on this Agreement above, the OWNER has thirty (30) days to cure the breach. Should the OWNER fail to cure the breach within 30 days, the OWNER agrees to reimburse the CITY for the full amount of funding provided by the CITY under the terms of this Agreement within sixty (60) days of receipt of aforementioned written notice, with the amount of reimbursement owed to the City reduced by one-fifth (1/5) of the full amount funded by the CITY under this Agreement for every one calendar year the improvements resulting from this Agreement and the aforementioned Program are maintained in accordance with the terms of this Agreement.

M. Upon default of this Agreement by either party, other than default upon the installation of improvements as described in Paragraphs J and K, above, the OWNER and/or the CITY shall have any and all remedies available at law. Jurisdiction and venue for any dispute arising out of the performance of this Agreement shall be exclusively fixed in the Twenty-Third Judicial Circuit, DeKalb County, Illinois.

N. Owner agrees and acknowledges that any work performed that is intended to be funded or reimbursed using funds made available by the City shall be subject to the provisions of the Prevailing Wage Act, and that strict compliance with said Act and any other applicable statutes, regulations or ordinances shall be required as a condition precedent to reimbursement of any expenses incurred. Owner shall be responsible for confirming compliance with all applicable ordinances and regulations, and shall indemnify and hold harmless the City from any claims arising out of the Project, reimbursement of any expenses, or this agreement in any way. Further, Owner agrees and acknowledges that: 1) it shall have all contractors and bidders complete a set of Certifications in the form attached hereto as Exhibit A; and, b) it shall name the City of DeKalb as additional primary insured on any certificates of insurance provided in connection with the
completion of the project contemplated herein.

O. Notwithstanding any contrary provision of this Agreement, no party other than City and the Owner shall be parties to this agreement, and the Owner and City expressly agree and acknowledge that there are no intended or incidental third party beneficiaries. The City shall not be party to any agreement not expressly executed by the City, and shall not be a party to a contract directly with any individual contractor or sign company contracting with Owner.

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

CITY OF DEKALB, ILLINOIS
A Municipal Corporation

Kris Povlsen
Mayor

PROPERTY OWNER
145 North Third Street, DeKalb, Illinois

ATTEST:

Diane Wright
City Clerk
Exhibit A: Certifications

Employment Status: The Bidder certifies that if any of its personnel are employees of the State of Illinois, they have permission from their employer to perform the service.

Anti-Bribery: The Bidder certifies it is not barred under 30 Illinois Compiled Statutes 500/50-5(a) - (d) from contracting as a result of a conviction for bribery or attempted bribery of an officer or employee of the State of Illinois or any other state.

Loan Default: If the Bidder is an individual, the Bidder certifies that he/she is not in default for a period of six months or more in an amount of $600 or more on the repayment of any educational loan guaranteed by the Illinois State Scholarship Commission made by an Illinois institution of higher education or any other loan made from public funds for the purpose of financing higher education (5 ILCS 385/3).

Felony Certification: The Bidder certifies that it is not barred pursuant to 30 Illinois Compiled Statutes 500/50-10 from conducting business with the State of Illinois or any agency as a result of being convicted of a felony.

Barred from Contracting: The Bidder certifies that it has not been barred from contracting as a result of a conviction for bid-rigging or bid rotating under 720 Illinois Compiled Statutes 5/33E or similar law of another state.

Prevailing Wage: The Bidder certifies that it shall comply with all applicable provisions of the Prevailing Wage Act, and further certifies that it is not in violation of said Act and has not been barred from bidding on this proposal by virtue of a past violation of the Act.

Drug Free Workplace: The Bidder certifies that it is in compliance with the Drug Free Workplace Act (30 Illinois Compiled Statutes 580) as of the effective date of this contract. The Drug Free Workplace Act requires, in part, that Bidders, with 25 or more employees certify and agree to take steps to ensure a drug free workplace by informing employees of the dangers of drug abuse, of the availability of any treatment or assistance program, of prohibited activities and of sanctions that will be imposed for violations; and that individuals with contracts certify that they will not engage in the manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.

Non-Discrimination, Certification, and Equal Employment Opportunity: The Bidder agrees to comply with applicable provisions of the Illinois Human Rights Act (775 Illinois Compiled Statutes 5), the U.S. Civil Rights Act, the Americans with Disabilities Act, Section 504 of the U.S. Rehabilitation Act and the rules applicable to each. The equal opportunity clause of Section 750.10 of the Illinois Department of Human Rights Rules is specifically incorporated herein. The Bidder shall comply with Executive Order 11246, entitled Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented by U.S. Department of Labor regulations (41 C.F.R. Chapter 60). The Bidder agrees to incorporate this clause into all subcontracts under this Contract.

International Boycott: The Bidder certifies that neither it nor any substantially owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 or the regulations of the U.S. Department of Commerce promulgated under that Act (30 ILCS 582).

Record Retention and Audits: If 30 Illinois Compiled Statutes 500/20-65 requires the Bidder (and any subBidders) to maintain, for a period of 3 years after the later of the date of completion of this Contract or the date of final payment under the Contract, all books and records relating to the performance of the Contract and necessary to support amounts charged to the City under the Contract. The Contract and all books and records related to the Contract shall be available for review and audit by the City and the Illinois Auditor General. If this Contract is funded from contract/grant funds provided by the U.S. Government, the Contract, books, and records shall be available for review and audit by the Comptroller General of the United States or the Inspector General of the federal sponsoring agency. The Bidder agrees to cooperate fully with any audit and to provide full access to all relevant materials.

United States Resident Certification: (This certification must be included in all contracts involving personal services by non-resident aliens and foreign entities in accordance with requirements imposed by the Internal Revenue Services for withholding and reporting federal income taxes.) The Bidder certifies that he/she/it is a: [ ] United States Citizen or Corporation [ ] Resident Alien [ ] Non-Resident Alien. The Internal Revenue Service requires that taxes be withheld on payments made to non-resident aliens for the performance of personal services at the rate of 30%.

Tax Payer Certification: Under penalties of perjury, the Bidder certifies that its Federal Tax Payer Identification Number or Social Security Number is _________ and is doing business as a (check one): [ ] Individual [ ] Real Estate Agent [ ] Sole Proprietorship [ ] Government Entity [ ] Partnership [ ] Tax Exempt Organization (IRC 501(a) only) [ ] Corporation [ ] Not for Profit Corporation [ ] Trust or Estate [ ] Medical and Health Care Services Provider Corp.
AGREEMENT made this 11th day of March, 2013, by and between the City of DeKalb, Illinois, an Illinois Municipal Corporation, (hereinafter referred to as "City") and the Preservation of the Egyptian Theatre, Inc. (hereinafter referred to as "P.E.T."), a not for profit corporation.

RECITALS

WHEREAS, the City is implementing a Tax Increment Redevelopment Plan (hereinafter referred to as the "Plan") pursuant to the Illinois Tax Increment Allocation Redevelopment Act (hereinafter referred to as the "Act"); and,

WHEREAS, the City wishes to assist other agencies with projects that will enhance the overall redevelopment of the project area and the community; and,

WHEREAS, in 2010, the City issued a Ten Million Eight Hundred Thousand ($10,800,000) General Obligation bond to finance the costs associated with the public streetscape improvements outlined in the Downtown Revitalization Plan which is repaid by Tax Increment Financing Funds; and,

WHEREAS, the City anticipates that the total cost of the public streetscape improvements will be significantly lower than originally estimated; and,

WHEREAS, P.E.T. is a local not for profit agency and needs assistance with improvements at the facility located within the Redevelopment Project Area covered by the Plan; and,

WHEREAS, said building improvements are eligible redevelopment project costs under the Act; and,

WHEREAS, to assist P.E.T. with these redevelopment projects thereby promoting the goals and objectives of the tax increment finance program of the City, the City desires to grant to the P.E.T. funding in a cumulative amount not to exceed Eight Hundred Ninety Thousand and No/100 Dollars ($890,000) for Fiscal Years 2012 and Fiscal Year 2013 to pay for projects as they are identified herein.

WHEREAS, P.E.T. has Fifteen Thousand Nine Hundred Sixty One and 01/100 dollars ($15,961.01) remaining from the FY11 TIF agreement and is requesting that this amount be carried over to FY12 to pay the costs associated with the air conditioning consultant.

WHEREAS, in 2012, P.E.T. publicly bid the air conditioning project and has
determined that the costs to complete are significantly higher than initially anticipated; and,

WHEAREAS, P.E.T. has requested that the funds which remain available in their FY12-FY13 agreement with the City of DeKalb be re-allocated to pay for the installation of a sprinkler system & associated plaster repairs and other capital projects. The City of DeKalb has determined this request is lawful; and,

NOW THEREFORE, the parties agree as follows:

I. FUNDING. For Fiscal Year 2012 and Fiscal Year 2013, the City shall grant to P.E.T. a cumulative amount not to exceed Eight Hundred Ninety Thousand and No/100 Dollars ($890,000).

In addition, the City will carry over the amount of Fifteen Thousand Nine Hundred Sixty One and 01/100 dollars ($15,961.01) which remains from the FY11 TIF agreement into Fiscal Year 2012. These monies shall be used solely and exclusively to pay the invoices associated with the air conditioning consultant and air conditioning installation.

As of January 28, 2013, Three Hundred Seventy Four Thousand Eighty and No/100 Dollars ($374,080) in TIF funds remain unspent from FY12/FY13 agreement, The City hereby grants FY13 TIF funds in the amount of One Hundred Thousand Dollars and No/100 ($100,000). The total amount of funds available is Four Hundred Seventy Four Thousand Eighty and No/100 Dollars ($474,080). These monies shall be used to pay the invoices associated with the installation of a sprinkler system and related plaster repairs, followed by items listed in the prioritized list of capital expenditures provided in Exhibit “A”.

A. All invoices for the installation of a sprinkler system and associated plaster repairs completed in Fiscal Year 2013 shall be forwarded to the City of DeKalb no later than October 1, 2013.

B. Notwithstanding the above, TIF funds which remain available after the sprinkler system has been paid for in full may be used as outlined below. All remaining TIF funds shall be invoiced and forwarded to the City of DeKalb no later than October 1, 2013. All monies provided through this agreement must be expended by October 15, 2013.

P.E.T. hereby certifies that no portion of the monies to be received from the City through this Agreement shall be used for payment of any debt owed by the P.E.T. at the time of execution of this document nor for any other purpose than the purposes which are specifically provided for payment by the City as identified within this agreement. P.E.T. further agrees and acknowledges that it shall comply with all applicable laws and regulations governing the use of the funds allocated herein.

II. ELIGIBLE USE OF FUNDS: All monies allocated by the City to P.E.T. through its Tax Increment Finance program shall be used solely and exclusively for the following described projects:
FY2012:
A. Replacement of Auditorium seats
B. Replacement of Sound System
C. Air Conditioning Consultant

FY2013:
A. Installation of a sprinkler system and associated plaster repairs
B. Other repairs to the building as listed on the priority capital repair list shown in Exhibit “A”. All funds authorized to be utilized in accordance with this Agreement shall be applied to projects in the order listed on Exhibit A (the priority capital repair list), with projects being completed sequentially, in order of listed priority. In the event that P.E.T. wishes to deviate from this priority listing and fund projects in an alternate order, or to fund a project not listed on Exhibit A, it shall submit the same to the City Manager for consideration. The City Manager may: 1) approve of such alternate project or order; b) reject such alternate project or order and require adherence to the prioritization listing in Exhibit A; or, 3) require the same to be submitted to the City Council for review and consideration, and for amendment of this Agreement.

P.E.T. hereby certifies it shall comply with all provisions for the public bidding of projects whose cost shall exceed twenty thousand dollars ($20,000) and shall obtain a minimum of two (2) cost quotes for all projects under that amount, unless specifically permitted otherwise by the City of DeKalb. The Auditorium seat replacement project is excluded from this requirement due to its unique nature and limited number of contractors who can meet the project’s specifications. The Auditorium seat replacement project will be completed by Irwin Seating.

P.E.T. certifies that all contractors employed to complete the improvements described herein shall pay their employees the appropriate prevailing wage as provided in the State of Illinois Prevailing Wage Act. Further, Owner agrees and acknowledges that: 1) it shall have all contractors and bidders complete a set of Certifications in the form attached hereto as Exhibit “B”.

III. PAYMENT. All requests for payment of bills associated with the work noted in Section II of this Agreement shall first be submitted in writing to the Economic Development Coordinator for the City of DeKalb, who shall be responsible for the timely review and approval of all requests for payment, and shall be charged with the oversight provisions contained within this Agreement. The City of DeKalb is obligated to reimburse only those TIF eligible expenses incurred with all applicable requirements and to the extent that budgeted funds are available.

IV. STATUS REPORT. P.E.T. shall make an oral year end status report to the City Council no later than the first City Council meeting in May 2012 and May 2013 which shall summarize all activities and rehabilitation projects undertaken by the organization during the term of this Agreement.

V. FAILURE TO PERFORM. In the event that either party fails to perform any of its obligations under this Agreement, if the non-defaulting party delivers written notice of non-
performance to the defaulting party and the defaulting party fails or refuses to cure the default within 28 days of receipt of the written notice of default, then the non-defaulting party may declare this Agreement null, void and of no further effect and the Parties shall have not further obligations between each other under this Agreement. Alternatively, the not-defaulting party may seek any relief it considers appropriate at law or in equity in a court of competent jurisdiction.

VI. EQUAL OPPORTUNITY. P.E.T. shall not discriminate in its employment, operations, or business practices on the basis of race, creed, color, sex, military service status, age, national origin, matriculation, sexual orientation or disability.

VII. DRUG FREE WORKPLACE. P.E.T. shall operate under the terms and conditions of the City's adopted Drug Free Workplace policy during the term of this Agreement.

VIII. SUBMISSION OF ANNUAL BUDGET, YEAR END FINANCIAL STATEMENTS, AUDITOR'S REPORT & MEETING MINUTES: P.E.T. shall annually submit a copy of their approved annual budget, Year end financial statements, Auditor's Report and copies of any board meeting minutes of any meeting where the receipt or use of City funding is discussed or acted upon within thirty (30) days of the approval of such documents.

IX. P.E.T. hereby certifies it shall comply with the Open Meetings Act when the receipt or use of City funding is discussed or acted upon.

X. INSURANCE AND INDEMNIFICATION:

P.E.T. agrees that it shall indemnify, defend and hold harmless the City, its agents, employees, contractors, elected and appointed officials, and related parties from any and all claims of any nature relating to the use, maintenance or operation of the Egyptian Theater, the funding of any expenses contemplated by this Agreement, the conduct of any repairs or improvements to the Egyptian Theater, or in any way relating to or arising out of this Agreement or the funding contemplated herein. Any defense or indemnity of the City under the terms of this Agreement shall be performed by parties acceptable to the City in its discretion. Further, P.E.T. shall provide the City of DeKalb with a certificate of insurance naming the City as additional primary insured without right of subrogation, on a policy of insurance for commercial general liability, from an issuer and with policy limits acceptable to the City Manager. Such insurance shall be maintained for the full duration of this Agreement. P.E.T. shall also require any contractors performing work, maintenance, repairs or upgrades to the Egyptian Theater to provide adequate and appropriate insurance which names P.E.T. and the City of DeKalb as additional primary insureds without right of subrogation. Further, P.E.T. shall provide and maintain any form of insurance required by law, and the City may demand proof of such other insurance upon request.

XI. TERM OF AGREEMENT. This Agreement shall be in effect from July 1, 2011 to October 15, 2013.

IN WITNESS WHEREOF, the parties have executed this Agreement on the date so shown at the beginning.
Exhibit “A” Prioritized List of Capital Expenditures for the Egyptian Theatre.

**FY2013:**
- Sprinkler System Install
- Plasterwork & Painting repairs in auditorium
- Replace Interior Fire Doors
- Replace Stage Fire Curtain
- Replace Stage Skirt
- Repair lighting in mezzanine women’s restroom
- Complete final phase of sound system
- Install Sound System Electrical Panel
- Replace Stage Door Alley
- Repair Marquee Electrical circuits
- Repair Auditorium Fans
- Add Emergency Lighting on stage (USR & USL)
- Exterior tuckpointing
- Replace aisle lights
- Replace ladders to ceiling
- Install access to auditorium ceiling attic
- Replace Auditorium Ceiling Lights
- Replace water heaters
- Security Cameras

**Future Projects:**
- Replace Main Curtain, Main Border, and Valance
- Repair Organ Lofts for Wurlitzer Organ
- Restore and Install Wurlitzer Theatre Organ
- Replace Front Doors
- Replace carpet
- Install shore power outside
- Security System (Alarm)
- Install keyless entry system
- Replace Lighting Dimmer Racks
- Replace Lighting Electrical Panel
- Plasterwork & Painting in office
- Replace stage loading doors
- South Expansion
- Air Conditioning
- Bathroom Expansion (main floor and mezzanine)
- Concessions Renovation (main floor and mezzanine)
- New Box Office Area
- Office Area
- Storage Area
- Multi-purpose Meeting Area
- Elevator
- Stage Expansion
- More Backstage Space
- Loading Docks
- Storage
- Additional Dressing Rooms
- Laundry Facilities
- Rehearsal Space
- Black Box Theatre & Screening Room
- Install new lift in orchestra pit
- Replace Marquee
Exhibit “B” Certifications

Employment Status: The Bidder certifies that if any of its personnel are employees of the State of Illinois, they have permission from their employer to perform the service.

Anti-Bribery: The Bidder certifies it is not barred under 30 Illinois Compiled Statutes 500/50-5(a) - (d) from contracting as a result of a conviction for or admission of bribery or attempted bribery of an officer or employee of the State of Illinois or any other state.

Loan Default: If the Bidder is an individual, the Bidder certifies that he/she is not in default for a period of six months or more in an amount of $600 or more on the repayment of any educational loan guaranteed by the Illinois State Scholarship Commission made by an Illinois institution of higher education or any other loan made from public funds for the purpose of financing higher education (5 ILCS 385/3).

Felony Certification: The Bidder certifies that it is not barred pursuant to 30 Illinois Compiled Statutes 500/50-10 from conducting business with the State of Illinois or any agency as a result of being convicted of a felony.

Barred from Contracting: The Bidder certifies that it has not been barred from contracting as a result of a conviction for bid-rigging or bid rotating under 720 Illinois Compiled Statutes 5/33E or similar law of another state.

Prevailing Wage: The Bidder certifies that it shall comply with all applicable provisions of the Prevailing Wage Act, and further certifies that it is not in violation of said Act and has not been barred from bidding on this proposal by virtue of a past violation of the Act.

Drug Free Workplace: The Bidder certifies that it is in compliance with the Drug Free Workplace Act (30 Illinois Compiled Statutes 580) as of the effective date of this contract. The Drug Free Workplace Act requires the Bidder, with 25 or more employees, to certify and agree to take steps to ensure a drug free workplace by informing employees of the dangers of drug abuse, of the availability of any treatment or assistance program, of prohibited activities and of sanctions that will be imposed for violations; and that individuals with contracts certify that they will not engage in the manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.

Non-Discrimination, Certification, and Equal Employment Opportunity: The Bidder agrees to comply with applicable provisions of the Illinois Human Rights Act (775 Illinois Compiled Statutes 5), the U.S. Civil Rights Act, the Americans with Disabilities Act, Section 504 of the U.S. Rehabilitation Act and the rules applicable to each. The equal opportunity clause of Section 750.10 of the Department of Human Rights Rules is specifically incorporated herein. The Bidder shall comply with Executive Order 11246, entitled Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented by U.S. Department of Labor regulations (41 C.F.R. Chapter 60). The Bidder agrees to incorporate this clause into all subcontracts under this Contract.

International Boycott: The Bidder certifies that neither it nor any substantially owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 or the regulations of the U.S. Department of Commerce promulgated under that Act (30 ILCS 582).

Record Retention and Audits: If 30 Illinois Compiled Statutes 500/20-65 requires the Bidder (and any subBidders) to maintain, for a period of 3 years after the later of the date of completion of this Contract or the date of final payment under the Contract, all books and records relating to the performance of the Contract and necessary to support amounts charged to the City under the Contract. The Contract and all books and records related to the Contract shall be available for review and audit by the City and the Illinois Auditor General. If this Contract is funded from contract/grant funds provided by the U.S. Government, the Contract, books, and records shall be available for review and audit by the Comptroller General of the U.S. and/or the Inspector General of the federal sponsoring agency. The Bidder agrees to cooperate fully with any audit and to provide full access to all relevant materials.

United States Resident Certification: (This certification must be included in all contracts involving personal services by non-resident aliens and foreign entities in accordance with requirements imposed by the Internal Revenue Services for withholding and reporting federal income taxes.) The Bidder certifies that he/she/it is a: __________________ United States Citizen or Corporation __________________ Resident Alien __________________ Non-Resident Alien The Internal Revenue Service requires that taxes be withheld on payments made to nonresident aliens for the performance of personal services at the rate of 30%.

Tax Payer Certification: Under penalties of perjury, the Bidder certifies that its Federal Tax Payer Identification Number or Social Security Number is __________________ and is doing business as a (check one): __________________ Individual __________________ Real Estate Agent __________________ Sole Proprietorship __________________ Corporation __________________ Government Entity __________________ Partnership __________________ Not for Profit Corporation __________________ Trust or Estate __________________ Tax Exempt Organization (IRC 501(a) only) __________________ Medical and Health Care Services Provider Corp.
AGREEMENT made this 14th day of June, 2012, by and between the City of DeKalb, an Illinois Municipal Corporation (hereinafter referred to as "the City") and ReNew DeKalb, Inc., an Illinois Corporation (hereinafter referred to as "ReNew DeKalb").

RECITAL

WHEREAS, ReNew DeKalb has been organized and chartered for the purpose of lessening the burden on local government of vacancy, unemployment, and community deterioration through a program of economic development and revitalization for the central business district and related adjacent areas; and,

WHEREAS, ReNew DeKalb will actively participate in activities to promote economic vitality throughout the urban core of DeKalb, described as the Central Business District and Lincoln Highway from the river to First Street and 7th Street to Peace Road; and,

WHEREAS, ReNew DeKalb's goal is to expand, strengthen, implement, and sustain the redevelopment efforts in the City of DeKalb's urban core and related adjacent areas. The primary objective of this corporation shall be to benefit the community by improving its urban core as measured by increased property development, employment, business volume and diversification and strengthening of the tax base; and,

WHEREAS, ReNew DeKalb and the City will enjoy a positive collaborative relationship in which ReNew DeKalb will continue to address the issues of appearance, promotion, redevelopment and utilization of space by business, residential and public interests, updating the Downtown Redevelopment Plan, in addition to coordinating the City's Farmer's Market, and other special activities as they may arise; and,

WHEREAS, the City will benefit from the efforts of ReNew DeKalb and has approved an amount of forty-five thousand dollars ($45,000.00) in Tax Increment Financing Funds to financially assist ReNew DeKalb in its efforts to enhance the vitality of the downtown; and,

NOW THEREFORE, THE PARTIES AGREE AS FOLLOWS:

I. FUNDING. For Fiscal Year 2013 the City shall grant to ReNew DeKalb the amount of forty-five thousand dollars ($45,000) in Tax Increment Financing Funds to implement a program of activities designed to encourage the economic vitality of the urban core of the City of DeKalb as described in Exhibit "I".

II. PAYMENT. Payments will be made in monthly increments ($3,750) beginning on August 1, 2012. The final payment will be made on July 1, 2013.

III. STATUS REPORT. ReNew DeKalb shall make an oral year end status report to the City Council no later than the second City Council meeting in June, 2013 which shall summarize all downtown events, promotions, and related activities undertaken by the organization during the preceding year.

IV. FAILURE TO PERFORM. This Agreement may be declared null and void by either ReNew DeKalb or the City should either party fail to meet any of the terms and conditions noted herein, within thirty (30) days of written notification of same by the other party, and during which time the
other party has not complied with this Agreement's provisions and conditions.

V. EQUAL OPPORTUNITY. ReNew DeKalb shall not discriminate in its employment, operations, or business practices on the basis of race, creed, color, sex, military service status, age, national origin, matriculation, sexual orientation or disability.

VI. DRUG FREE WORKPLACE. ReNew DeKalb shall operate under the terms and conditions of the City's adopted Drug Free Workplace policy during the term of this Agreement.

VIII. SUBMISSION OF ANNUAL BUDGET, AUDITOR’S REPORT & MEETING MINUTES: ReNew DeKalb shall annually submit a copy of their approved annual budget and Auditor’s Report and copies of any board meeting minutes of any meeting where the use of City funding is discussed or acted upon within thirty (30) days of the approval of such documents.

ReNew DeKalb hereby certifies it shall comply with the Open Meetings Act when the use of City funding is discussed or acted upon.

VII. TERM OF AGREEMENT. This Agreement shall be in effect from July 1, 2012 to June 30, 2013.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date so shown at the beginning.

City of DeKalb

Kris Povlsen, Mayor

ReNew DeKalb, Inc.

Frank Roberts, Board President

ATTEST:

Diane Wright, City Clerk
Vision
The vitality of DeKalb’s urban core is essential to ensure economic prosperity and a high quality of life for all DeKalb area residents.

Mission
The Board of Directors and the staff of Re:New DeKalb will lead the development and implementation of strategic initiatives that stimulate, improve, and enhance the urban core, creating positive effects for the entire community.

FY13 Initiatives
Our actions are driven by our vision: we identify five key initiatives:

1) Develop and implement an ongoing strategy to communicate the community’s vision for our urban core.

2) Engage in Strategic Partnerships with the City of DeKalb and Northern Illinois University.

3) Ensure visible results in the urban core.

4) Partner with downtown stake holders to promote the unique businesses and activities of downtown DeKalb.

5) Sustain long term organizational funding through fundraising. Re:New DeKalb will continue to develop and facilitate a long-term funding plan for downtown events and for its own operations.

6) Work with the City of DeKalb to update the current Downtown Plan.
AGREEMENT made as of the 19th day of November in the year 2012
(In words, indicate day, month and year.)

BETWEEN the Owner:
(Name, legal status, address and other information)

City of DeKalb
Attn: Mark Biernacki, City Manager
200 South Fourth Street
DeKalb, IL 60115

and the Architect:
(Name, legal status, address and other information)

SAA Design Group, Inc.
101 E. Badger Road
Madison, WI 53713

for the following Project:
(Name, location and detailed description)

Update the 2007 Downtown DeKalb Revitalization Master Plan as requested in the August 2012 Request for Proposal attached as Exhibit 1.

The Owner and Architect agree as follows.
# TABLE OF ARTICLES

1. ARCHITECT'S RESPONSIBILITIES
2. OWNER'S RESPONSIBILITIES
3. COPYRIGHTS AND LICENSES
4. CLAIMS AND DISPUTES
5. TERMINATION OR SUSPENSION
6. COMPENSATION
7. MISCELLANEOUS PROVISIONS
8. SPECIAL TERMS AND CONDITIONS
9. SCOPE OF THE AGREEMENT

## ARTICLE 1: ARCHITECT'S RESPONSIBILITIES

§ 1.1 The Architect shall provide the following professional services:

(Describe the scope of the Architect's services or identify an exhibit or scope of services document setting forth the Architect’s services and incorporated into this document in Section 9.2)

See attached Exhibit 2 for scope of services.

§ 1.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 1.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 1.4 Except with the Owner’s knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect’s professional judgment with respect to this Project.

§ 1.5 The Architect shall maintain the following insurance for the duration of this Agreement. If any of the requirements set forth below exceed the types and limits the Architect normally maintains, the Owner shall reimburse the Architect for any additional cost:

(Identify types and limits of insurance coverage, and other insurance requirements applicable to the Agreement, if any.)

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<td>1.</td>
<td>General Liability</td>
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<td>2.</td>
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<td>4.</td>
<td>Professional Liability</td>
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ARTICLE 2 OWNER'S RESPONSIBILITIES
§ 2.1 Unless otherwise provided for under this Agreement, the Owner shall provide information in a timely manner regarding requirements for and limitations on the Project, including a written program which shall set forth the Owner's objectives, schedule, constraints and criteria, including space requirements and relationships, flexibility, expandability, special equipment, systems and site requirements. Within 15 days after receipt of a written request from the Architect, the Owner shall furnish the requested information as necessary and relevant for the Architect to evaluate, give notice of or enforce lien rights.

§ 2.2 The Owner shall identify a representative authorized to act on the Owner's behalf with respect to the Project. The Owner shall render decisions and approve the Architect's submittals in a timely manner in order to avoid unreasonable delay in the orderly and sequential progress of the Architect's services.

ARTICLE 3 COPYRIGHTS AND LICENSES
§ 3.1 The Architect and the Owner warrant that in transmitting Instruments of Service, or any other information, the transmitting party is the copyright owner of such information or has permission from the copyright owner to transmit such information for its use on the Project. If the Owner and Architect intend to transmit Instruments of Service or any other information or documentation in digital form, they shall endeavor to establish necessary protocols governing such transmissions.

3.2 Deleted
3.3 Deleted
3.3.1 Deleted

3.3.2 Upon payment of the contract sum due hereunder and Architect's tender of any drawings or materials generated during the Project, said items shall become the property of the Owner, and may be used by the Owner for any purpose, in the Owner's discretion, thereafter.

(Paragraphs deleted)

§ 3.4 Except for the licenses granted in this Article 3, no other license or right shall be deemed granted or implied under this Agreement. The Owner shall not assign, delegate, sublicense, pledge or otherwise transfer any license granted herein to another party without the prior written agreement of the Architect. Any unauthorized use of the Instruments of Service shall be at the Owner's sole risk and without liability to the Architect and the Architect's consultants.

ARTICLE 4 CLAIMS AND DISPUTES
§ 4.1 GENERAL
§ 4.1.1 The Owner and Architect shall commence all claims and causes of action, whether in contract, tort, or otherwise, against the other arising out of or related to this Agreement in accordance with the requirements of the method of binding dispute resolution selected in this Agreement within the period specified by applicable law, but in any case not more than 10 years after the date of Substantial Completion of the Work. The Owner and Architect waive all claims and causes of action not commenced in accordance with this Section 4.1.1.

§ 4.1.2 To the extent damages are covered by property insurance, the Owner and Architect waive all rights against each other and against the contractors, consultants, agents and employees of the other for damages, except such rights as they may have to the proceeds of such insurance as set forth in AIA Document A201-2007, General Conditions of


User Notes: M4357 - DS
the Contract for Construction, if applicable. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

§ 4.1.3 The Architect and Owner waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party’s termination of this Agreement, except as specifically provided in Section 5.7.

§ 4.2 MEDIATION
§ 4.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Architect’s services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

§ 4.2.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this Section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 4.2.3 The parties shall share the mediator’s fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 4.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 4.2, the method of binding dispute resolution shall be the following:

(1) Arbitration pursuant to Section 4.3 of this Agreement
(2) Litigation in a court of competent jurisdiction
(3) Other (Specify)

§ 4.3 ARBITRATION
§ 4.3.1 If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration, which unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.

§ 4.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.
§ 4.3.2 The foregoing agreement to arbitrate and other agreements to arbitrate with an additional person or entity duly consented to by parties to this Agreement shall be specifically enforceable in accordance with applicable law in any court having jurisdiction thereof.

§ 4.3.3 The award rendered by the arbitrator(s) shall be final, and judgment may be entered upon it in accordance with applicable law in any court having jurisdiction thereof.

§ 4.4 CONSOLIDATION OR JOINDER

§ 4.4.1 Either party, at its sole discretion, may consolidate an arbitration conducted under this Agreement with any other arbitration to which it is a party provided that (1) the arbitration agreement governing the other arbitration permits consolidation; (2) the arbitrations to be consolidated substantially involve common questions of law or fact; and (3) the arbitrations employ materially similar procedural rules and methods for selecting arbitrator(s).

§ 4.4.2 Either party, at its sole discretion, may include by joinder persons or entities substantially involved in a common question of law or fact whose presence is required if complete relief is to be accorded in arbitration, provided that the party sought to be joined consents in writing to such joinder. Consent to arbitration involving an additional person or entity shall not constitute consent to arbitration of any claim, dispute or other matter in question not described in the written consent.

§ 4.4.3 The Owner and Architect grant to any person or entity made a party to an arbitration conducted under this Section 4.3, whether by joinder or consolidation, the same rights of joinder and consolidation as the Owner and Architect under this Agreement.

ARTICLE 5 TERMINATION OR SUSPENSION

§ 5.1 If the Owner fails to make payments to the Architect in accordance with this Agreement, such failure shall be considered substantial nonperformance and cause for termination or, at the Architect’s option, cause for suspension of performance of services under this Agreement. If the Architect elects to suspend services, the Architect shall give seven days’ written notice to the Owner before suspending services. In the event of a suspension of services, the Architect shall have no liability to the Owner for delay or damage caused the Owner because of such suspension of services. Before resuming services, the Architect shall be paid all sums due prior to suspension and any expenses incurred in the interruption and resumption of the Architect’s services. The Architect’s fees for the remaining services and the time schedules shall be equitably adjusted.

§ 5.2 If the Owner suspends the Project, the Architect shall be compensated for services performed prior to notice of such suspension. When the Project is resumed, the Architect shall be compensated for expenses incurred in the interruption and resumption of the Architect’s services. The Architect’s fees for the remaining services and the time schedules shall be equitably adjusted.

§ 5.3 If the Owner suspends the Project for more than 90 cumulative days for reasons other than the fault of the Architect, the Architect may terminate this Agreement by giving not less than seven days’ written notice.

§ 5.4 Either party may terminate this Agreement upon not less than seven days’ written notice should the other party fail substantially to perform in accordance with the terms of this Agreement through no fault of the party initiating the termination.

§ 5.5 The Owner may terminate this Agreement upon not less than seven days’ written notice to the Architect for the Owner’s convenience and without cause.

§ 5.6 In the event of termination not the fault of the Architect, the Architect shall be compensated for services performed prior to termination, together with Reimbursable Expenses then due and all Termination Expenses as defined in Section 5.7.

§ 5.7 Termination Expenses are in addition to compensation for the Architect’s services and include expenses directly attributable to termination for which the Architect is not otherwise compensated, plus an amount for the Architect’s anticipated profit on the value of the services not performed by the Architect.
5.8 The Owner’s rights to use the Architect’s Instruments of Service in the event of a termination of this Agreement are set forth in Article 3 and Section 6.3.

ARTICLE 6 COMPENSATION
§ 6.1 The Owner shall compensate the Architect for services described in Section 1.1 as set forth below, or in the attached exhibit or scope document incorporated into this Agreement in Section 9.2. (Insert amount of; or basis for; compensation or indicate the exhibit or scope document in which compensation is provided for.)

A fixed fee of $71,500.00 for professional services including the services of S. B. Friedman & Associates; plus expenses not to exceed $3,200.00.

If professional services other than those described herein are requested by the Owner and authorized in writing before the Architect proceeds, they shall be paid for on an hourly basis, plus reimbursable expenses as described in Article 6.2 per the attached schedule, Exhibit 3.

§ 6.2 COMPENSATION FOR REIMBURSABLE EXPENSES
§ 6.2.1 Reimbursable Expenses are in addition to compensation for the Architect’s professional services and include expenses incurred by the Architect and the Architect’s consultants directly related to the Project, as follows:

1. Transportation and authorized out-of-town travel and subsistence;
2. Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets;
3. Fees paid for securing approval of authorities having jurisdiction over the Project;
4. Printing, reproductions, plots, standard form documents;
5. Postage, handling and delivery;
6. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
7. Renderings, models, mock-ups, professional photography, and presentation materials requested by the Owner;
8. Architect’s Consultant’s expense of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits if the Owner requests such insurance in excess of that normally carried by the Architect’s consultants;
9. All taxes levied on professional services and on reimbursable expenses;
10. Site office expenses; and
11. Other similar Project-related expenditures.

§ 6.2.2 For Reimbursable Expenses, the compensation shall be the expenses incurred by the Architect and the Architect’s consultants plus an administrative fee of ten percent (10%) of the expenses incurred.

§ 6.3 COMPENSATION FOR USE OF ARCHITECT’S INSTRUMENTS OF SERVICE
If the Owner terminates the Architect for its convenience under Section 5.5, or the Architect terminates this Agreement under Section 5.5, the Owner shall pay a licensing fee as compensation for the Owner’s continued use of the Architect’s Instruments of Service solely for purposes of the Project as follows:

Not Applicable

§ 6.4 PAYMENTS TO THE ARCHITECT
§ 6.4.1 An initial payment of zero ($ 0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner’s account in the final invoice.

§ 6.4.2 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect’s invoice. Amounts unpaid forty five (45) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.

(Insert rate of monthly or annual interest agreed upon)

1% per month on the unpaid balance 12% annually
§ 6.4.3 The Owner shall not withhold amounts from the Architect’s compensation to impose a penalty or liquidated damages on the Architect, or to offset sums requested by or paid to contractors for the cost of changes in the Work unless the Architect agrees or has been found liable for the amounts in a binding dispute resolution proceeding.

§ 6.4.4 Records of Reimbursable Expenses and services performed on the basis of hourly rates shall be available to the Owner at mutually convenient times.

ARTICLE 7 MISCELLANEOUS PROVISIONS
§ 7.1 This Agreement shall be governed by the law of the place where the Project is located, except that if the parties have selected arbitration as the method of binding dispute resolution, the Federal Arbitration Act shall govern Section 4.3.

§ 7.2 Terms in this Agreement shall have the same meaning as those in AIA Document A201–2007, General Conditions of the Contract for Construction.

§ 7.3 The Owner and Architect, respectively, bind themselves, their agents, successors, assigns and legal representatives to this Agreement. Neither the Owner nor the Architect shall assign this Agreement without the written consent of the other, except that the Owner may assign this Agreement to a lender providing financing for the Project if the lender agrees to assume the Owner’s rights and obligations under this Agreement.

§ 7.4 If the Owner requests the Architect to execute certificates, the proposed language of such certificates shall be submitted to the Architect for review at least 14 days prior to the requested dates of execution. If the Owner requests the Architect to execute consents reasonably required to facilitate assignment to a lender, the Architect shall execute all such consents that are consistent with this Agreement, provided the proposed consent is submitted to the Architect for review at least 14 days prior to execution. The Architect shall not be required to execute certificates or consents that would require knowledge, services or responsibilities beyond the scope of this Agreement.

§ 7.5 Nothing contained in this Agreement shall create a contractual relationship with or a cause of action in favor of a third party against either the Owner or Architect.

§ 7.6 Unless otherwise required in this Agreement, the Architect shall have no responsibility for the discovery, presence, handling, removal or disposal of, or exposure of persons to, hazardous materials or toxic substances in any form at the Project site.

§ 7.7 The Architect shall have the right to include photographic or artistic representations of the design of the Project among the Architect’s promotional and professional materials. The Architect shall be given reasonable access to the completed Project to make such representations. However, the Architect’s materials shall not include the Owner’s confidential or proprietary information if the Owner has previously advised the Architect in writing of the specific information considered by the Owner to be confidential or proprietary. The Owner shall provide professional credit for the Architect in the Owner’s promotional materials for the Project.

§ 7.8 If the Architect or Owner receives information specifically designated by the other party as "confidential" or "business proprietary," the receiving party shall keep such information strictly confidential and shall not disclose it to any other person except to (1) its employees, (2) those who need to know the content of such information in order to perform services or construction solely and exclusively for the Project, or (3) its consultants and contractors whose contracts include similar restrictions on the use of confidential information.

ARTICLE 8 SPECIAL TERMS AND CONDITIONS
Special terms and conditions that modify this Agreement are as follows:

8.1 City Manager, Mark Biernacki shall be designated the city’s primary contact person.

ARTICLE 9 SCOPE OF THE AGREEMENT
§ 9.1 This Agreement represents the entire and integrated agreement between the Owner and the Architect and supersedes all prior negotiations, representations or agreements, either written or oral. This Agreement may be amended only by written instrument signed by both Owner and Architect.
§ 9.2 This Agreement is comprised of the following documents listed below:

1. (DELETED)
2. (DELETED)
3. Other documents:
   (List other documents, including the Architect’s scope of services document, hereby incorporated into the Agreement.)

   Exhibit 1 – Owner Request for Proposal
   Exhibit 2 – Architect Scope of Services
   Exhibit 3 – Schedule of Hourly Rates
   Exhibit 4 – Certifications

This Agreement entered into as of the day and year first written above.

OWNER
City of Dekalb

ARCHITECT
SAA Design-Group, Inc.

Owner Request for Proposal
Exhibit 2 – Architect Scope of Services
Exhibit 3 – Schedule of Hourly Rates
Exhibit 4 – Certifications

This Agreement entered into as of the day and year first written above.

OWNER
City of Dekalb

ARCHITECT
SAA Design-Group, Inc.

Owner Request for Proposal
Exhibit 2 – Architect Scope of Services
Exhibit 3 – Schedule of Hourly Rates
Exhibit 4 – Certifications

Signatures

(Printed name and title)

(Printed name and title)
CITY OF DEKALB

REQUEST FOR PROPOSALS:

PLANNING AND ECONOMIC DEVELOPMENT CONSULTING SERVICES TO UPDATE THE CITY OF DEKALB’S DOWNTOWN REVITALIZATION PLAN

SUBMISSION DEADLINE:
5:00 pm September 7, 2012

ADDRESS ALL PROPOSALS TO:

City of DeKalb
Attn: Mark Biernacki, City Manager
200 South Fourth Street
DeKalb, IL 60115
Ph: (815) 748-2090
The City of DeKalb is accepting Requests for Proposals (RFPs) from selected firms to provide planning and economic development consulting services to update the 2007 Downtown Revitalization Plan.

The RFP will demonstrate the ability of your team to provide professional consulting services in planning and economic development in a downtown/central city environment. This is not a proposal for a new plan. Instead, the City is interested in updating the existing document to reflect the changes in the economy and shifting local priorities. The existing plan can be found at:


A scope of services for the Plan update would include, but would not be limited to, the following issues:

- Linkage options and opportunities between the core downtown area and the NIU campus
- Redevelopment options for key vacant public and privately owned sites.
- Re-examination of the Plan’s inclusion of the types and amounts of residential uses for the downtown
- Second floor residential conversion – code compliance, capacities, feasibility
- Parking and parking deck needs and locations
- Identify new and/or re-prioritize streetscape/aesthetic improvements
- Public art/art district opportunities
- East Locust Street redevelopment corridor opportunities and branding (an “E-Lo” district)
- Co-location opportunities for government/civic uses and users
- Coordinate efforts with the expansion and strategic plans of key anchors (i.e. Egyptian Theatre, Library, etc.)
- Analysis of existing TIF districts, their remaining terms, and the impacts and timing on future funding opportunities
- Alley façade and safety improvement programs
- Special events - programming and funding opportunities
- The future role of ReNew DeKalb (the current not-for-profit downtown redevelopment organization)

Interested firms will submit the following information:

1. A cover letter/statement of interest indicating the firm’s interest in offering these services and highlighting its qualifications to perform financial consulting services;
2. A thorough and current description of available professional staff and respective roles of each. Provide resumes for proposed project staff who will be assigned to the project.
3. A description of the firm’s experience in providing the range of services identified.
4. Outline the firm’s proposed project plan, including approach to planning, organizing and management of the project.
5. Present workload with attention to current and future commitments of available personnel and other key resources.
7. Client references of all other engagements completed within the last five years relating to the services being proposed, from municipalities and/or other public sector entities of similar size and complexity to DeKalb.

Firms shall list on the cover sheet of the RFPs the following information:

1. Firm Name
2. Address
3. Phone Number
4. Fax Number
5. Email Address
6. Name of Contact Person

The Title of the Submittal shall be:

DeKalb Downtown Revitalization Plan Update – Proposal for the City of DeKalb

Seven (7) copies of the Statement of Qualifications shall be submitted in hard copy. In addition, one (1) electronic copy shall be submitted on a disk. Firms will not be reimbursed for any expenses related to their participation and response to this Request of Proposal.

All RFPs submitted become public information and may be reviewed by anyone requesting to do so at the conclusion of the evaluation process. All RFPs received by the City of DeKalb shall remain valid for ninety (90) days from date of submittal. City of DeKalb reserves the right to reject any and all proposals if none of the submissions are deemed responsive and/or in the best interests of the City of DeKalb.

Statement of Qualifications will be accepted no later than 5:00 P.M. local time on September 7, 2012.
SCOPE OF SERVICES
DEKALB DOWNTOWN REVITALIZATION PLAN UPDATE

November 19, 2012

PROJECT UNDERSTANDING

The City of DeKalb’s August 2012 Request for Proposal for an update to the DeKalb Downtown Revitalization Plan illustrates the desire to revisit the 2007 plan in light of an impending TIF district closure and current market and demographic trends and conditions. While each of the components of the 2007 plan warrants revalidation, there is no intent for the proposed update to overhaul the downtown vision and its objectives. Rather, the SAA team will supplement, refresh, and “tweak” the 2006 plan as necessary and lay an action agenda for the next five years. Where the changed market conditions since 2007 have presented challenges to plan implementation, the SAA team’s response to that challenge will be to prioritize strategies in two key areas. First, identify priorities for the use of the remaining TIF funds to enhance downtown infrastructure and aesthetics, and leverage redevelopment opportunities that may not have been apparent in 2007. Second, focus on downtown programmatic needs that will strengthen the downtown’s organizational capacity, partnership building, support to businesses and the downtown’s role as a market destination. Specific issues to be considered in the context of the update’s two priorities include the following:

- Linkage options and opportunities between the core downtown area and the NIU campus
- Redevelopment options for key vacant public and privately owned sites
- Re-examination of the Plan’s inclusion of the types and amounts of residential uses for the downtown
- Second floor residential conversion – code compliance, capacities, feasibility
- Parking and parking deck needs and locations
- Identify new and/or re-prioritize streetscape/aesthetic improvements
- Public art/art district opportunities
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- Coordinate efforts with the expansion and strategic plans of key anchors (i.e. Egyptian Theatre, Library, etc.)
- Analysis of existing TIF districts, their remaining terms, and the impacts and timing on future funding opportunities
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- Special events - programming and funding opportunities
- The future role of Re: New DeKalb (the current not-for-profit downtown redevelopment organization)
SCOPE OF SERVICES

PHASE I: PROJECT START-UP

1.1. Project start up meeting with staff to affirm project goals, work priorities, project schedule, and identify key stakeholders. At the meeting, SAA will also obtain project background data including information on existing TIF plans, traffic and parking analyses, programmed infrastructure plans and discuss the organization and content for the Downtown Summit

1.2. While in the city, SAA will also conduct brief introductory meetings with the Re: New DeKalb executive committee and representatives of Northern Illinois University (NIU)

1.3. Coordinate the set up of a project web site for housing plan information and receiving stakeholder and citizen comments

PHASE II: BACKGROUND RESEARCH

2.1 Assemble and review relevant plans and studies to include the following:

- Downtown property information
- Demographics
- NIU enrollment and residential trends
- NIU current master plan
- Building permit data and information on planned downtown projects
- GIS parcel shapes for the city and downtown TIF boundaries
- Recent appraisals of downtown properties
- TIF district plans and amendments
- TIF district annual reports
- Traffic counts
- NIU, DSATS, and city bike and open space plans
- City completed parking survey/inventory (supply/usage, public & private)
- RE: New DeKalb’s occupancy assessment of downtown buildings
- Ordinance audit – zoning, building codes, land division, design guideline, etc.

2.2 Conduct a market assessment to include:

- Site analysis to
  - Evaluate existing conditions including uses, adjacencies, transportation infrastructure
  - identify “sites susceptible to change”

- Existing supply analyses
  - Retail – occupancy levels, tenant mix, rents, recent construction history
  - Office – occupancy levels, tenant mix, rents, recent construction history
  - Housing – (for rent and for sale) occupancy levels, tenant mix, rents, recent construction history
Demand analyses
  
  • Retail –
    o Leakage study using ESRI data
    o Interviews with brokers, property owners, lenders and others
    o Comparison of retail mix to mix in other college towns for which we have data including: Iowa City, Normal & Kearney, Nebraska.
  
  • Office – interviews with brokers, property owners and others to identify potential downtown tenants including possible University affiliated users
  
  • Housing –
    o Review NIU’s recent Housing Market Study
    o Analyze demographics including household growth by age income to identify growth cohorts
    o Interviews with brokers, lenders, property owners and others
  
Draft conclusions regarding priority product market potential going forward
  
  • Identify site issues (infrastructure, demolition, etc.)
  
  • Recommend priority sites for investment and priority products for those sites

2.3 Review the financial state of the existing TIF districts.
  
  • Review prior annual reports and revenue projections.
  
  • Gather information on existing TIF financial commitments (redevelopment agreements, infrastructure projects or other municipal expenditures, etc.)
  
  • Determine the “available” TIF funds for additional investment to remedy site issues identified in the market assessment phase.

2.4 Prepare a memorandum summarizing the consultant team’s understanding of the current state of the downtown.

PHASE III: STATE OF THE DOWNTOWN SUMMIT

3.1 Conduct a 1-day Downtown Summit Meeting event, to include:
  
  • An informal drop-in style open house listening session open to downtown business and interested citizens.
  
  • Bringing downtown stakeholders together for a joint work session to identify points of agreement, outstanding issues and action steps.

3.2 Prepare a memorandum summarizing the findings and conclusions reached at the summit.
PHASE IV: PRELIMINARY RECOMMENDATIONS

4.1 Prepare written and graphic recommendations addressing the capture of opportunities and the resolution of issues. The recommendations will focus on the next five plan years with specific emphasis on use of the remaining TIF funds followed by recommendations for land use and resolution of programmatic issues.

4.2 Prepare an action plan strategy identifying key plan implementation steps, responsibility, timeline and funding needs.

4.3 Review the preliminary recommendations and action plan over one day of meetings to include city staff, Re: New DeKalb and NIU.

4.4 Host one public open house to introduce the Downtown Plan update recommendations.

PHASE V: FINAL PLAN

5.1 Prepare a final plan update including recommendations and action agenda in text and graphics as supplemental report to 2007 Downtown DeKalb Revitalization Plan.

5.2 Provide city staff and Re: New DeKalb representatives with a draft plan copy for review and comment. Revise the plan draft in response to comments received.

5.3 Present the final plan update to City Plan Commission and City Council, for formal adoption at one meeting.

DELIVERABLES

1. Memorandum summarizing background research, market investigations and TIF District investigations.

2. Memorandum summarizing the priority issues and opportunities identified at the Downtown Summit.

3. Preliminary recommendations and an action strategy for the downtown.


5. All memoranda and draft plan documents will be provided electronically for distribution.

6. 10 printed copies and an electronic copy of the preliminary and final plan update will be provided.
PROJECT ASSUMPTIONS

1. The city will furnish in hard and or electronic versions, downtown related plans studies, ordinances and budgets that will provide background for understanding the current state of Downtown DeKalb.
2. The city will furnish in electronic form, air photograph and base maps of the downtown.
3. The city will provide traffic and parking data for the downtown.
4. The city will appoint a single contact person for the SAA team to work with in disseminating agenda, meeting notes and plan work products.
5. The city will identify key stakeholders to be contacted during the planning process.
6. The city will arrange for meeting spaces for the Summit and public meetings.

SCHEDULE

SAA will begin work on or about December 1, 2012 and have the updated master plan ready for the plan approval process by April 1, 2013.

End Scope of Services
## SAA Design Group, Inc.
### Fee Schedule
#### Effective 10/01/12 – 09/30/13

<table>
<thead>
<tr>
<th>Position</th>
<th>Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Principal</td>
<td>$150.00 - $160.00/hr</td>
</tr>
<tr>
<td>Senior Engineer/Senior Project Manager</td>
<td>$105.00 - $127.00/hr</td>
</tr>
<tr>
<td>Senior Planner</td>
<td>$100.00 - $110.00/hr</td>
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<tr>
<td>Project Manager</td>
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<tr>
<td>Assistant Project Manager</td>
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<tr>
<td>Planner I</td>
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<tr>
<td>Landscape Architect II</td>
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<tr>
<td>Graphic Designer</td>
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<tr>
<td>Administration</td>
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</tr>
<tr>
<td>Intern</td>
<td>$40.00 - $55.00/hr</td>
</tr>
</tbody>
</table>

### Expenses
- Telephone, postage, travel expense: Cost plus 10%
- Mileage: (federal rate) + 10%
- Consultants: Cost plus 10%

Payment for services will be due 30 days from the date of invoice issued on or about the first of each month.

As required by the Wisconsin construction lien law, consultant hereby notifies owner that persons or companies furnishing labor or materials for the construction on owner's land may have lien rights on owner's land and building if not paid. Those entitled to lien rights, in addition to the undersigned consultant, are those who contract directly with the owner or those who give the owner notice within 60 days after they first furnish labor or materials for the construction. Accordingly, owner probably will receive notices from those who furnish labor or materials for the construction, and should give a copy of each notice received to the mortgage lender, if any. Consultant agrees to cooperate with the owner and the owner's lender, if any, to see that all potential lien claimants are duly paid.
Exhibit A: Certifications

Employment Status: The Bidder certifies that if any of its personnel are an employee of the State of Illinois, they have permission from their employer to perform the service.

Anti-Bribery: The Bidder certifies it is not barred under 30 Illinois Compiled Statutes 500/50-5(a) - (d) from contracting as a result of a conviction for or admission of bribery or attempted bribery of an officer or employee of the State of Illinois or any other state.

Loan Default: If the Bidder is an individual, the Bidder certifies that he/she is not in default for a period of six months or more in an amount of $600 or more on the repayment of any educational loan guaranteed by the Illinois State Scholarship Commission made by an Illinois institution of higher education or any other loan made from public funds for the purpose of financing higher education (5 ILCS 385/3).

Felony Certification: The Bidder certifies that it is not barred pursuant to 30 Illinois Compiled Statutes 500/50-10 from conducting business with the State of Illinois or any agency as a result of being convicted of a felony.

Barred from Contracting: The Bidder certifies that it has not been barred from contracting as a result of a conviction for bid-rigging or bid rotating under 720 Illinois Compiled Statutes 5/33E or similar law of another state.

Prevailing Wage: The Bidder certifies that it shall comply with all applicable provisions of the Prevailing Wage Act, and further certifies that it is not in violation of said Act and has not been barred from bidding on this proposal by virtue of a past violation of the Act.

Drug Free Workplace: The Bidder certifies that it is in compliance with the Drug Free Workplace Act (30 Illinois Compiled Statutes 580) as of the effective date of this contract. The Drug Free Workplace Act requires, in part, that Bidders, with 25 or more employees certify and agree to take steps to ensure a drug free workplace by informing employees of the dangers of drug abuse, of the availability of any treatment or assistance program, of prohibited activities and of sanctions that will be imposed for violations; and that individuals with contracts certify that they will not engage in the manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.

Non-Discrimination, Certification, and Equal Employment Opportunity: The Bidder agrees to comply with applicable provisions of the Illinois Human Rights Act (775 Illinois Compiled Statutes 5), the U.S. Civil Rights Act, the Americans with Disabilities Act, Section 504 of the U.S. Rehabilitation Act and the rules applicable to each. The equal opportunity clause of Section 750.10 of the Illinois Department of Human Rights Rules is specifically incorporated herein. The Bidder shall comply with Executive Order 11246, entitled Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented by U.S. Department of Labor regulations (41 C.F.R. Chapter 60). The Bidder agrees to incorporate this clause into all subcontracts under this Contract.

International Boycott: The Bidder certifies that neither it nor any substantially owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 or the regulations of the U.S. Department of Commerce promulgated under that Act (30 ILCS 582).

Record Retention and Audits: If 30 Illinois Compiled Statutes 500/20-65 requires the Bidder (and any subBidders) to maintain, for a period of 3 years after the later of the date of completion of this Contract or the date of final payment under the Contract, all books and records relating to the performance of the Contract and necessary to support amounts charged to the City.
under the Contract. The Contract and all books and records related to the Contract shall be available for review and audit by the City and the Illinois Auditor General. If this Contract is funded from contract/grant funds provided by the U.S. Government, the Contract, books, and records shall be available for review and audit by the Comptroller General of the U.S. and/or the Inspector General of the federal sponsoring agency. The Bidder agrees to cooperate fully with any audit and to provide full access to all relevant materials.

United States Resident Certification: (This certification must be included in all contracts involving personal services by non-resident aliens and foreign entities in accordance with requirements imposed by the Internal Revenue Services for withholding and reporting federal income taxes.) The Bidder certifies that he/she/it is a: __ United States Citizen or Corporation __ Resident Alien __ Non-Resident Alien The Internal Revenue Service requires that taxes be withheld on payments made to non-resident aliens for the performance of personal services at the rate of 30%.

Tax Payer Certification: Under penalties of perjury, the Bidder certifies that its Federal Tax Payer Identification Number or Social Security Number is ___________ and is doing business as a (check one): __ Individual __ Real Estate Agent __ Sole Proprietorship __ Government Entity __ Partnership __ Tax Exempt Organization (IRC 501(a) only) __ Corporation __ Not for Profit Corporation __ Trust or Estate __ Medical and Health Care Services Provider Corp.
TABLE OF ARTICLES
1 ARCHITECT'S RESPONSIBILITIES
2 OWNER'S RESPONSIBILITIES
3 COPYRIGHTS AND LICENSES
4 CLAIMS AND DISPUTES
5 TERMINATION OR SUSPENSION
6 COMPENSATION
7 MISCELLANEOUS PROVISIONS
8 SPECIAL TERMS AND CONDITIONS
9 SCOPE OF THE AGREEMENT

ARTICLE 1 ARCHITECT'S RESPONSIBILITIES
§ 1.1 The Architect shall provide the following professional services:
(Describe the scope of the Architect's services or identify an exhibit or scope of services document setting forth the Architect's services and incorporated into this document in Section 9.2)

See attached Exhibit 2 for scope of services.

§ 1.2 The Architect shall perform its services consistent with the professional skill and care ordinarily provided by architects practicing in the same or similar locality under the same or similar circumstances. The Architect shall perform its services as expeditiously as is consistent with such professional skill and care and the orderly progress of the Project.

§ 1.3 The Architect shall identify a representative authorized to act on behalf of the Architect with respect to the Project.

§ 1.4 Except with the Owner's knowledge and consent, the Architect shall not engage in any activity, or accept any employment, interest or contribution that would reasonably appear to compromise the Architect's professional judgment with respect to this Project.

§ 1.5 The Architect shall maintain the following insurance for the duration of this Agreement. If any of the requirements set forth below exceed the types and limits the Architect normally maintains, the Owner shall reimburse the Architect for any additional cost:
(Identify types and limits of insurance coverage, and other insurance requirements applicable to the Agreement, if any.)

1. General Liability
   $1,000,000

2. Automobile Liability
   $1,000,000

3. Workers' Compensation
   $100,000/ $100,000/$500,000

4. Professional Liability
the Contract for Construction, if applicable. The Owner or the Architect, as appropriate, shall require of the contractors, consultants, agents and employees of any of them similar waivers in favor of the other parties enumerated herein.

§ 4.1.3 The Architect and Owner waive consequential damages for claims, disputes or other matters in question arising out of or relating to this Agreement. This mutual waiver is applicable, without limitation, to all consequential damages due to either party’s termination of this Agreement, except as specifically provided in Section 5.7.

§ 4.2 MEDIATION

§ 4.2.1 Any claim, dispute or other matter in question arising out of or related to this Agreement shall be subject to mediation as a condition precedent to binding dispute resolution. If such matter relates to or is the subject of a lien arising out of the Architect’s services, the Architect may proceed in accordance with applicable law to comply with the lien notice or filing deadlines prior to resolution of the matter by mediation or by binding dispute resolution.

§ 4.2.2 The Owner and Architect shall endeavor to resolve claims, disputes and other matters in question between them by mediation which, unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Mediation Procedures in effect on the date of the Agreement. A request for mediation shall be made in writing, delivered to the other party to the Agreement, and filed with the person or entity administering the mediation. The request may be made concurrently with the filing of a complaint or other appropriate demand for binding dispute resolution but, in such event, mediation shall proceed in advance of binding dispute resolution proceedings, which shall be stayed pending mediation for a period of 60 days from the date of filing, unless stayed for a longer period by agreement of the parties or court order. If an arbitration proceeding is stayed pursuant to this Section, the parties may nonetheless proceed to the selection of the arbitrator(s) and agree upon a schedule for later proceedings.

§ 4.2.3 The parties shall share the mediator’s fee and any filing fees equally. The mediation shall be held in the place where the Project is located, unless another location is mutually agreed upon. Agreements reached in mediation shall be enforceable as settlement agreements in any court having jurisdiction thereof.

§ 4.2.4 If the parties do not resolve a dispute through mediation pursuant to this Section 4.2, the method of binding dispute resolution shall be the following:

(Complete the appropriate box. If the Owner and Architect do not select a method of binding dispute resolution below, or do not subsequently agree in writing to a binding dispute resolution method other than litigation, the dispute will be resolved in a court of competent jurisdiction.)

[ X ] Arbitration pursuant to Section 4.3 of this Agreement

[ ] Litigation in a court of competent jurisdiction

[ ] Other (Specify)

§ 4.3 ARBITRATION

§ 4.3.1 If the parties have selected arbitration as the method for binding dispute resolution in this Agreement, any claim, dispute or other matter in question arising out of or related to this Agreement subject to, but not resolved by, mediation shall be subject to arbitration, which unless the parties mutually agree otherwise, shall be administered by the American Arbitration Association in accordance with its Construction Industry Arbitration Rules in effect on the date of this Agreement. A demand for arbitration shall be made in writing, delivered to the other party to this Agreement, and filed with the person or entity administering the arbitration.

§ 4.3.1.1 A demand for arbitration shall be made no earlier than concurrently with the filing of a request for mediation, but in no event shall it be made after the date when the institution of legal or equitable proceedings based on the claim, dispute or other matter in question would be barred by the applicable statute of limitations. For statute of limitations purposes, receipt of a written demand for arbitration by the person or entity administering the arbitration shall constitute the institution of legal or equitable proceedings based on the claim, dispute or other matter in question.
§ 5.8 The Owner’s rights to use the Architect’s Instruments of Service in the event of a termination of this Agreement are set forth in Article 3 and Section 6.3.

ARTICLE 6 COMPENSATION
§ 6.1 The Owner shall compensate the Architect for services described in Section 1.1 as set forth below, or in the attached exhibit or scope document incorporated into this Agreement in Section 9.2. (Insert amount of, or basis for, compensation or indicate the exhibit or scope document in which compensation is provided for.)

A fixed fee of $71,500.00 for professional services including the services of S. B. Friedman & Associates; plus expenses not to exceed $3,200.00.

If professional services other than those described herein are requested by the Owner and authorized in writing before the Architect proceeds, they shall be paid for on an hourly basis, plus reimbursable expenses as described in Article 6.2 per the attached schedule, Exhibit 3.

§ 6.2 COMPENSATION FOR REIMBURSABLE EXPENSES
§ 6.2.1 Reimbursable Expenses are in addition to compensation for the Architect’s professional services and include expenses incurred by the Architect and the Architect’s consultants directly related to the Project, as follows:

1. Transportation and authorized out-of-town travel and subsistence;
2. Long distance services, dedicated data and communication services, teleconferences, Project Web sites, and extranets;
3. Fees paid for securing approval of authorities having jurisdiction over the Project;
4. Printing, reproductions, plots, standard form documents;
5. Postage, handling and delivery;
6. Expense of overtime work requiring higher than regular rates, if authorized in advance by the Owner;
7. Renderings, models, mock-ups, professional photography, and presentation materials requested by the Owner;
8. Architect’s Consultant’s expense of professional liability insurance dedicated exclusively to this Project, or the expense of additional insurance coverage or limits if the Owner requests such insurance in excess of that normally carried by the Architect’s consultants;
9. All taxes levied on professional services and on reimbursable expenses;
10. Site office expenses; and
11. Other similar Project-related expenditures.

§ 6.2.2 For Reimbursable Expenses, the compensation shall be the expenses incurred by the Architect and the Architect’s consultants plus an administrative fee of ten percent (10%) of the expenses incurred.

§ 6.3 COMPENSATION FOR USE OF ARCHITECT'S INSTRUMENTS OF SERVICE
If the Owner terminates the Architect for its convenience under Section 5.5, or the Architect terminates this Agreement under Section 5.3, the Owner shall pay a licensing fee as compensation for the Owner’s continued use of the Architect’s Instruments of Service solely for purposes of the Project as follows:

Not Applicable

§ 6.4 PAYMENTS TO THE ARCHITECT
§ 6.4.1 An initial payment of zero ($0.00) shall be made upon execution of this Agreement and is the minimum payment under this Agreement. It shall be credited to the Owner’s account in the final invoice.

§ 6.4.2 Unless otherwise agreed, payments for services shall be made monthly in proportion to services performed. Payments are due and payable upon presentation of the Architect’s invoice. Amounts unpaid forty five (45) days after the invoice date shall bear interest at the rate entered below, or in the absence thereof at the legal rate prevailing from time to time at the principal place of business of the Architect.

(Insert rate of monthly or annual interest agreed upon.)

1% per month on the unpaid balance 12% annually
§ 9.2 This Agreement is comprised of the following documents listed below:
1. (DELETED)
2. (DELETED)
3. Other documents:
   (List other documents, including the Architect's scope of services document, hereby incorporated into the Agreement.)
   
   Exhibit 1 – Owner Request for Proposal
   Exhibit 2 – Architect Scope of Services
   Exhibit 3 – Schedule of Hourly Rates
   Exhibit 4 – Certifications

This Agreement entered into as of the day and year first written above.

OWNER
City of Galesburg

(Signature)
Kris Prokle
(Printed name and title)

ARCHITECT
SAA Design Group, Inc.

(Signature)
David R. Schreiber
(Printed name and title)
The City of DeKalb is accepting Requests for Proposals (RFPs) from selected firms to provide planning and economic development consulting services to update the 2007 Downtown Revitalization Plan.

The RFP will demonstrate the ability of your team to provide professional consulting services in planning and economic development in a downtown/central city environment. This is not a proposal for a new plan. Instead, the City is interested in updating the existing document to reflect the changes in the economy and shifting local priorities. The existing plan can be found at:


A scope of services for the Plan update would include, but would not be limited to, the following issues:

- Linkage options and opportunities between the core downtown area and the NIU campus
- Redevelopment options for key vacant public and privately owned sites.
- Re-examination of the Plan’s inclusion of the types and amounts of residential uses for the downtown
- Second floor residential conversion – code compliance, capacities, feasibility
- Parking and parking deck needs and locations
- Identify new and/or re-prioritize streetscape/aesthetic improvements
- Public art/art district opportunities
- East Locust Street redevelopment corridor opportunities and branding (an “E-Lo” district)
- Co-location opportunities for government/civic uses and users
- Coordinate efforts with the expansion and strategic plans of key anchors (i.e. Egyptian Theatre, Library, etc.)
- Analysis of existing TIF districts, their remaining terms, and the impacts and timing on future funding opportunities
- Alley façade and safety improvement programs
- Special events - programming and funding opportunities
- The future role of ReNew DeKalb (the current not-for-profit downtown redevelopment organization)

Interested firms will submit the following information:

1. A cover letter/statement of interest indicating the firm’s interest in offering these services and highlighting its qualifications to perform financial consulting services;
2. A thorough and current description of available professional staff and respective roles of each. Provide resumes for proposed project staff who will be assigned to the project.
3. A description of the firm’s experience in providing the range of services identified.
4. Outline the firm’s proposed project plan, including approach to planning, organizing and management of the project.
SCOPE OF SERVICES
DEKALB DOWNTOWN REVITALIZATION PLAN UPDATE

November 19, 2012

PROJECT UNDERSTANDING

The City of DeKalb’s August 2012 Request for Proposal for an update to the DeKalb Downtown Revitalization Plan illustrates the desire to revisit the 2007 plan in light of an impending TIF district closure and current market and demographic trends and conditions. While each of the components of the 2007 plan warrants revalidation, there is no intent for the proposed update to overhaul the downtown vision and its objectives. Rather, the SAA team will supplement, refresh, and “tweak” the 2006 plan as necessary and lay an action agenda for the next five years. Where the changed market conditions since 2007 have presented challenges to plan implementation, the SAA team’s response to that challenge will be to prioritize strategies in two key areas. First, identify priorities for the use of the remaining TIF funds to enhance downtown infrastructure and aesthetics, and leverage redevelopment opportunities that may not have been apparent in 2007. Second, focus on downtown programmatic needs that will strengthen the downtown’s organizational capacity, partnership building, support to businesses and the downtown’s role as a market destination. Specific issues to be considered in the context of the update’s two priorities include the following:

- Linkage options and opportunities between the core downtown area and the NIU campus
- Redevelopment options for key vacant public and privately owned sites
- Re-examination of the Plan’s inclusion of the types and amounts of residential uses for the downtown
- Second floor residential conversion – code compliance, capacities, feasibility
- Parking and parking deck needs and locations
- Identify new and/or re-prioritize streetscape/aesthetic improvements
- Public art/art district opportunities
- East Locust Street redevelopment corridor opportunities and branding (an “E-Lo” district)
- Co-location opportunities for government/civic uses and users
- Coordinate efforts with the expansion and strategic plans of key anchors (i.e. Egyptian Theatre, Library, etc.)
- Analysis of existing TIF districts, their remaining terms, and the impacts and timing on future funding opportunities
- Alley façade and safety improvement programs
- Special events - programming and funding opportunities
- The future role of Re: New DeKalb (the current not-for-profit downtown redevelopment organization)
Demand analyses
- Retail –
  - Leakage study using ESRI data
  - Interviews with brokers, property owners, lenders and others
  - Comparison of retail mix to mix in other college towns for which we have data including: Iowa City, Normal & Kearney, Nebraska.
- Office – interviews with brokers, property owners and others to identify potential downtown tenants including possible University affiliated users
- Housing –
  - Review NIU’s recent Housing Market Study
  - Analyze demographics including household growth by age income to identify growth cohorts
  - Interviews with brokers, lenders, property owners and others
- Draft conclusions regarding priority product market potential going forward
  - Identify site issues (infrastructure, demolition, etc.)
  - Recommend priority sites for investment and priority products for those sites

2.3 Review the financial state of the existing TIF districts.
- Review prior annual reports and revenue projections.
- Gather information on existing TIF financial commitments (redevelopment agreements, infrastructure projects or other municipal expenditures, etc.)
- Determine the “available” TIF funds for additional investment to remedy site issues identified in the market assessment phase.

2.4 Prepare a memorandum summarizing the consultant team’s understanding of the current state of the downtown.

PHASE III: STATE OF THE DOWNTOWN SUMMIT

3.1 Conduct a 1-day Downtown Summit Meeting event, to include:
- An informal drop-in style open house listening session open to downtown business and interested citizens.
- Bringing downtown stakeholders together for a joint work session to identify points of agreement, outstanding issues and action steps.

3.2 Prepare a memorandum summarizing the findings and conclusions reached at the summit.
PROJECT ASSUMPTIONS

1. The city will furnish in hard and or electronic versions, downtown related plans studies, ordinances and budgets that will provide background for understanding the current state of Downtown DeKalb.
2. The city will furnish in electronic form, air photograph and base maps of the downtown.
3. The city will provide traffic and parking data for the downtown.
4. The city will appoint a single contact person for the SAA team to work with in disseminating agenda, meeting notes and plan work products.
5. The city will identify key stakeholders to be contacted during the planning process.
6. The city will arrange for meeting spaces for the Summit and public meetings.

SCHEDULE

SAA will begin work on or about December 1, 2012 and have the updated master plan ready for the plan approval process by April 1, 2013.

End Scope of Services
Exhibit A: Certifications

Employment Status: The Bidder certifies that if any of its personnel are an employee of the State of Illinois, they have permission from their employer to perform the service.

Anti-Bribery: The Bidder certifies it is not barred under 30 Illinois Compiled Statutes 500/50-5(a) - (d) from contracting as a result of a conviction for or admission of bribery or attempted bribery of an officer or employee of the State of Illinois or any other state.

Loan Default: If the Bidder is an individual, the Bidder certifies that he/she is not in default for a period of six months or more in an amount of $600 or more on the repayment of any educational loan guaranteed by the Illinois State Scholarship Commission made by an Illinois institution of higher education or any other loan made from public funds for the purpose of financing higher education (5 ILCS 385/3).

Felony Certification: The Bidder certifies that it is not barred pursuant to 30 Illinois Compiled Statutes 500/50-10 from conducting business with the State of Illinois or any agency as a result of being convicted of a felony.

Barred from Contracting: The Bidder certifies that it has not been barred from contracting as a result of a conviction for bid-rigging or bid rotating under 720 Illinois Compiled Statutes 5/33E or similar law of another state.

Prevailing Wage: The Bidder certifies that it shall comply with all applicable provisions of the Prevailing Wage Act, and further certifies that it is not in violation of said Act and has not been barred from bidding on this proposal by virtue of a past violation of the Act.

Drug Free Workplace: The Bidder certifies that it is in compliance with the Drug Free Workplace Act (30 Illinois Compiled Statutes 580) as of the effective date of this contract. The Drug Free Workplace Act requires, in part, that Bidders, with 25 or more employees certify and agree to take steps to ensure a drug free workplace by informing employees of the dangers of drug abuse, of the availability of any treatment or assistance program, of prohibited activities and of sanctions that will be imposed for violations; and that individuals with contracts certify that they will not engage in the manufacture, distribution, dispensation, possession, or use of a controlled substance in the performance of the contract.

Non-Discrimination, Certification, and Equal Employment Opportunity: The Bidder agrees to comply with applicable provisions of the Illinois Human Rights Act (775 Illinois Compiled Statutes 5), the U.S. Civil Rights Act, the Americans with Disabilities Act, Section 504 of the U.S. Rehabilitation Act and the rules applicable to each. The equal opportunity clause of Section 750.10 of the Illinois Department of Human Rights Rules is specifically incorporated herein. The Bidder shall comply with Executive Order 11246, entitled Equal Employment Opportunity, as amended by Executive Order 11375, and as supplemented by U.S. Department of Labor regulations (41 C.F.R. Chapter 60). The Bidder agrees to incorporate this clause into all subcontracts under this Contract.

International Boycott: The Bidder certifies that neither it nor any substantially owned affiliated company is participating or shall participate in an international boycott in violation of the provisions of the U.S. Export Administration Act of 1979 or the regulations of the U.S. Department of Commerce promulgated under that Act (30 ILCS 582).

Record Retention and Audits: If 30 Illinois Compiled Statutes 500/20-65 requires the Bidder (and any subBidders) to maintain, for a period of 3 years after the later of the date of completion of this Contract or the date of final payment under the Contract, all books and records relating to the performance of the Contract and necessary to support amounts charged to the City
MINUTES

JOINT REVIEW BOARD MEETING
TAX INCREMENT FINANCING REDEVELOPMENT PLAN & PROJECT
CENTRAL AREA REDEVELOPMENT PROJECT AREA

CITY OF DEKALB

December 18, 2012

The Joint Review Board of the City of DeKalb, Illinois, held its annual meeting on Wednesday December 18, 2012, in the large conference room of the DeKalb Municipal Building, 200 South Fourth Street, DeKalb, Illinois.

Rudy Espiritu, Interim City Manager, called the meeting to order at 3:00 p.m.

ROLL CALL:

Staff liaison Jennifer Diedrich recorded the roll and the following members of Joint Review Board were present: Rob Galick, Kishwaukee Community College, Cindy Capek, DeKalb Park District; Mark Biernacki, City of DeKalb.

Also present was: Rudy Espiritu, City of DeKalb, Laura Pisarcik, City of DeKalb, and Jennifer Diedrich, City of DeKalb.

1. APPROVAL OF AGENDA

MOTION
Ms. Capek moved to approve the agenda; seconded by Mr. Galick. Motion carried 3-0-5 on voice vote.

2. REVIEW OF 2012 PROGRAM, ACTIVITIES, AND FINANCIAL ADMINISTRATION

Ms. Diedrich reviewed the contents 2012 Annual TIF report in detail.

3. REVIEW OF FY13 SURPLUS DISTRIBUTION

Ms. Diedrich reviewed the contents of the FY13 Surplus Distribution in detail.

4. QUESTIONS AND COMMENTS

None

ADJOURNMENT:

MOTION
Ms. Capek moved to adjourn the meeting; seconded by Mr. Galick. Motion carried 3-0-5 by voice vote. The meeting was adjourned at 3:05 p.m. Chairperson Espiritu declared the motion passed.

Reviewed and approved by the JRB at their annual meeting December 19, 2013.
CITY OF DEKALB, ILLINOIS

REPORT ON COMPLIANCE WITH PUBLIC ACT 85-1142

FOR THE YEAR ENDED
JUNE 30, 2013
CITY OF DEKALB, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS REDEVELOPMENT FUNDS

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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

December 9, 2013

The Honorable Mayor
Members of the City Council
City of DeKalb, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of DeKalb, Illinois, as of and for the year ended June 30, 2013, which collectively comprise the City of DeKalb, Illinois’s basic financial statements, and have issued our report thereon dated December 9, 2013.

We have also audited the City of DeKalb, Illinois’s compliance with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142). The management of the City of DeKalb, Illinois, is responsible for the City of DeKalb, Illinois’s compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of DeKalb, Illinois’s compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the City of DeKalb, Illinois complied, in all material respects, with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142).

This report is intended solely for the information and use of the Mayor, the City Council, management of the City, the Illinois State Comptrollers Office and the joint review boards and is not intended to be and should not be used by anyone other than those specified parties.

LAUTERBACH & AMEN, LLP
INDEPENDENT AUDITOR’S REPORT
ON SUPPLEMENTARY INFORMATION

December 9, 2013

The Honorable Mayor
Members of the City Council
City of DeKalb, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the
discretely presented component unit, each major fund and the aggregate remaining fund information of the
City of DeKalb, Illinois, for the year ended June 30, 2013, which collectively comprise the City of
DeKalb, Illinois’s basic financial statements, and have issued our report thereon dated December 9, 2013.
These financial statements are the responsibility of the City of DeKalb, Illinois’s management. Our
responsibility is to express opinions on these financial statements based on our audit.

Our audit was made in accordance with auditing standards generally accepted in the United States of
America and Government Auditing Standards issued by the Comptroller General of the United States.
Those standards require that we plan and perform the audit to obtain reasonable assurance about whether
the financial statements are free of material misstatement. An audit includes examining, on a test basis,
evidence supporting the amounts and disclosures in the financial statements. An audit also includes
assessing the accounting principles used and significant estimates made by management, as well as
evaluating the overall financial statement presentation. We believe that our audit provides a reasonable
basis for our opinion.

Our audit was conducted for the purpose of forming an opinion on the financial statements that
collectively comprise the City of DeKalb, Illinois’s basic financial statements. The accompanying
combining schedules of revenues, expenditures, and changes in fund balances and schedules of fund
balance by source for the Tax Increment Financing #1 Fund, Tax Increment Financing #2 Fund and Tax
Increment Financing Debt Service Fund are presented for purposes of additional analysis and are not a
required part of the basic financial statements. The information in these schedules has been subjected to
the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly
present in all material respects in relation to the basic financial statements taken as a whole.

LAUTERBACH & AMEN, LLP
SUPPLEMENTARY INFORMATION
CITY OF DEKALB, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS REDEVELOPMENT FUNDS

Combining Schedule of Revenues, Expenditures and Changes in Fund Balance
For the Year Ended June 30, 2013

<table>
<thead>
<tr>
<th></th>
<th>Special Revenue</th>
<th></th>
<th>Debt Service</th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tax Increment</td>
<td>Tax</td>
<td>Tax</td>
<td>Totals</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Financing #1</td>
<td>Financing #2</td>
<td>Increment</td>
<td>(Memorandum</td>
<td>Only)</td>
</tr>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$ 6,679,893</td>
<td>1,851,355</td>
<td>-</td>
<td>8,531,248</td>
<td></td>
</tr>
<tr>
<td>Intergovernmental</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Sales Taxes</td>
<td>1,330,744</td>
<td>-</td>
<td>-</td>
<td>1,330,744</td>
<td></td>
</tr>
<tr>
<td>Interest</td>
<td>45,181</td>
<td>-</td>
<td>18</td>
<td>45,199</td>
<td></td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>608</td>
<td>-</td>
<td>-</td>
<td>608</td>
<td></td>
</tr>
<tr>
<td>Total Revenues</td>
<td>8,056,426</td>
<td>1,851,355</td>
<td>18</td>
<td>9,907,799</td>
<td></td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual Services</td>
<td>233,971</td>
<td>289,532</td>
<td>-</td>
<td>523,503</td>
<td></td>
</tr>
<tr>
<td>Permanent Improvements</td>
<td>7,572,242</td>
<td>179,020</td>
<td>-</td>
<td>7,751,262</td>
<td></td>
</tr>
<tr>
<td>Debt Service</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Retirement</td>
<td>-</td>
<td>-</td>
<td>1,400,000</td>
<td>1,400,000</td>
<td></td>
</tr>
<tr>
<td>Interest and Fiscal Charges</td>
<td>-</td>
<td>-</td>
<td>324,372</td>
<td>324,372</td>
<td></td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>7,806,213</td>
<td>468,552</td>
<td>1,724,372</td>
<td>9,999,137</td>
<td></td>
</tr>
<tr>
<td>Excess (Deficiency) of Revenues</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Over (Under) Expenditures</td>
<td>250,213</td>
<td>1,382,803</td>
<td>(1,724,354)</td>
<td>(91,338)</td>
<td></td>
</tr>
<tr>
<td>Other Financing Sources (Uses)</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
<td>1,539,071</td>
<td>1,539,071</td>
<td></td>
</tr>
<tr>
<td>Transfers Out</td>
<td>(2,150,222)</td>
<td>(146,305)</td>
<td>-</td>
<td>(2,296,527)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(2,150,222)</td>
<td>(146,305)</td>
<td>1,539,071</td>
<td>(757,456)</td>
<td></td>
</tr>
<tr>
<td>Net Change in Fund Balance</td>
<td>(1,900,009)</td>
<td>1,236,498</td>
<td>(185,283)</td>
<td>(848,794)</td>
<td></td>
</tr>
<tr>
<td>Fund Balance - Beginning</td>
<td>5,249,495</td>
<td>5,435,922</td>
<td>185,283</td>
<td>10,870,700</td>
<td></td>
</tr>
<tr>
<td>Fund Balance - Ending</td>
<td>3,349,486</td>
<td>6,672,420</td>
<td>-</td>
<td>10,021,906</td>
<td></td>
</tr>
</tbody>
</table>
**CITY OF DEKALB, ILLINOIS**  
**TAX INCREMENT FINANCING #1 FUND**

**Schedule of Fund Balance by Source**  
**For the Year Ended June 30, 2013**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance - July 1, 2012</td>
<td>$5,249,495</td>
</tr>
<tr>
<td><strong>Deposits</strong></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>6,679,893</td>
</tr>
<tr>
<td>Sales Taxes</td>
<td>1,330,744</td>
</tr>
<tr>
<td>Investment Income</td>
<td>45,181</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>608</td>
</tr>
<tr>
<td><strong>Total Deposits</strong></td>
<td>8,056,426</td>
</tr>
<tr>
<td><strong>Balance Plus Deposits</strong></td>
<td>13,305,921</td>
</tr>
<tr>
<td><strong>Expenditures and Transfers</strong></td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>7,806,213</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>2,150,222</td>
</tr>
<tr>
<td><strong>Total Expenditures and Transfers</strong></td>
<td>9,956,435</td>
</tr>
<tr>
<td><strong>Ending Balance - June 30, 2013</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Ending Balance by Source</strong></td>
<td></td>
</tr>
<tr>
<td>Property Tax</td>
<td>3,349,486</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>3,349,486</td>
</tr>
<tr>
<td><strong>Less Surplus Funds</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Ending Balance</strong></td>
<td>3,349,486</td>
</tr>
</tbody>
</table>
CITY OF DEKALB, ILLINOIS

REPORT ON COMPLIANCE WITH PUBLIC ACT 85-1142

FOR THE YEAR ENDED
JUNE 30, 2013
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

December 9, 2013

The Honorable Mayor
Members of the City Council
City of DeKalb, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, the discretely presented component unit, each major fund and the aggregate remaining fund information of the City of DeKalb, Illinois, as of and for the year ended June 30, 2013, which collectively comprise the City of DeKalb, Illinois’s basic financial statements, and have issued our report thereon dated December 9, 2013.

We have also audited the City of DeKalb, Illinois’s compliance with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142). The management of the City of DeKalb, Illinois, is responsible for the City of DeKalb, Illinois’s compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred. An audit includes examining, on a test basis, evidence about the City of DeKalb, Illinois’s compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the City of DeKalb, Illinois complied, in all material respects, with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142).

This report is intended solely for the information and use of the Mayor, the City Council, management of the City, the Illinois State Comptrollers Office and the joint review boards and is not intended to be and should not be used by anyone other than those specified parties.

LAUTERBACH & AMEN, LLP
<table>
<thead>
<tr>
<th>Date of Agrmt</th>
<th>Agreement Name</th>
<th>$$$ Transferred from City of DeKalb</th>
<th>$$$ Received by City of DeKalb</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/27/2007</td>
<td>Intergovernmental agreement on the extension of the central area tax increment financing redevelopment plan and project.</td>
<td>$</td>
<td>3,915,027</td>
</tr>
<tr>
<td>9/27/2007</td>
<td>Rider to the intergovernmental agreement on the extension of the central area tax increment financing redevelopment plan and project with DeKalb Community School District #428</td>
<td>$</td>
<td></td>
</tr>
<tr>
<td>9/28/2009</td>
<td>Intergovernmental agreement regarding the distribution of tax increment financing proceeds through July, 2010</td>
<td>$0</td>
<td>0</td>
</tr>
</tbody>
</table>