**Name of Municipality:** City of DeKalb

**County:** DeKalb

**Unit Code:** 019/015/30

**Reporting Fiscal Year:** 2014

**Fiscal Year End:** 6/30/2014

### TIF Administrator Contact Information

<table>
<thead>
<tr>
<th>First Name:</th>
<th>Jennifer</th>
</tr>
</thead>
<tbody>
<tr>
<td>Last Name:</td>
<td>Diedrich</td>
</tr>
<tr>
<td>Address:</td>
<td>200 South Fourth Street</td>
</tr>
<tr>
<td>Telephone:</td>
<td>815.748.2365</td>
</tr>
<tr>
<td>City:</td>
<td>DeKalb</td>
</tr>
<tr>
<td>Zip:</td>
<td>60115</td>
</tr>
<tr>
<td>E-mail:</td>
<td><a href="mailto:jdiedrich@cityofdekalb.com">jdiedrich@cityofdekalb.com</a></td>
</tr>
<tr>
<td>Title:</td>
<td>Economic Development Coordinator</td>
</tr>
</tbody>
</table>

**Best way to contact:**
- **x** Email
- **x** Phone
- Mobile
- Mail

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of DeKalb 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:** 2.10.14

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

**FILL OUT ONE FOR EACH TIF DISTRICT**

<table>
<thead>
<tr>
<th>Name of Redevelopment Project Area</th>
<th>Date Designated</th>
<th>Date Terminated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Central Area TIF</td>
<td>12/22/1986</td>
<td></td>
</tr>
</tbody>
</table>

*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.]
<table>
<thead>
<tr>
<th>Section 2</th>
<th>Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.</th>
</tr>
</thead>
<tbody>
<tr>
<td>FY 2014</td>
<td></td>
</tr>
</tbody>
</table>

**Name of Redevelopment Project Area:** Central Area TIF

**Primary Use of Redevelopment Project Area:** Commercial/Mixed Use

**Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):**

- Tax Increment Allocation Redevelopment Act __x___
- Industrial Jobs Recovery Law _____

**If "Combination/Mixed" List Component Types:** Commercial, residential

<table>
<thead>
<tr>
<th>Question</th>
<th>No</th>
<th>Yes</th>
</tr>
</thead>
<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><strong>If yes, please enclose the amendment labeled Attachment A</strong></td>
<td></td>
<td></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></td>
<td>x</td>
</tr>
<tr>
<td><strong>Please enclose the CEO Certification labeled Attachment B</strong></td>
<td></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></td>
</tr>
<tr>
<td><strong>Please enclose the Legal Counsel Opinion labeled Attachment C</strong></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) (A and B) and 5/11-74.6-22 (d) (B and D)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>If yes, please enclose the Activities Statement labeled Attachment D</strong></td>
<td></td>
<td>x</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) (C) and 5/11-74.6-22 (d) (C)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>If yes, please enclose the Agreement(s) labeled Attachment E</strong></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (D) and 5/11-74.6-22 (d) (D)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>If yes, please enclose the Additional Information labeled Attachment F</strong></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) (E) and 5/11-74.6-22 (d) (E)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G</strong></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (F) and 5/11-74.6-22 (d) (F)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>If yes, please enclose the Joint Review Board Report labeled Attachment H</strong></td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (A) and 5/11-74.6-22 (d) (A)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>If yes, please enclose the Official Statement labeled Attachment I</strong></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) (B) and 5/11-74.6-22 (d) (B)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>If yes, please enclose the Analysis labeled Attachment J</strong></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></td>
</tr>
<tr>
<td><strong>If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K</strong></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></td>
</tr>
<tr>
<td><strong>If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L</strong></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 part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>If yes, please enclose list only of the intergovernmental agreements labeled Attachment M</strong></td>
<td></td>
<td>x</td>
</tr>
</tbody>
</table>

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.
FY 2014
TIF NAME: Central Area TIF

Fund Balance at Beginning of Reporting Period $3,349,486

<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>$6,604,296</td>
<td>$88,389,508</td>
<td>57%</td>
</tr>
<tr>
<td>State Sales Tax Increment</td>
<td></td>
<td></td>
<td>10%</td>
</tr>
<tr>
<td>Local Sales Tax Increment</td>
<td>$12,981,206</td>
<td></td>
<td>8%</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>$69,494</td>
<td>$1,869,235</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>22%</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)</td>
<td></td>
<td>$897,549</td>
<td>1%</td>
</tr>
</tbody>
</table>

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period $6,673,791

Cumulative Total Revenues/Cash Receipts $154,149,891 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) $4,328,710

Distribution of Surplus $3,302,148

Total Expenditures/Disbursements $7,630,858

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS $(957,067)

FUND BALANCE, END OF REPORTING PERIOD* $2,392,419

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

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3) $(11,485,576)
### FY 2014

#### TIF NAME:

**ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND**
(by category of permissible redevelopment cost, amounts expended during reporting period)

<table>
<thead>
<tr>
<th>Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]</th>
<th>Amounts</th>
<th>Reporting Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td>1. Costs of studies, administration and professional services—Subsections (q)(1) and (o)(1)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8331 architectural and engineering services</td>
<td>29,503</td>
<td></td>
</tr>
<tr>
<td>8366 legal expenses</td>
<td>3,135</td>
<td></td>
</tr>
<tr>
<td>8375 dues and subscriptions</td>
<td>850</td>
<td></td>
</tr>
<tr>
<td>8376 Training, education, &amp; professional development</td>
<td>350</td>
<td></td>
</tr>
<tr>
<td>8399 contractual services - union pacific land lease</td>
<td>4,719</td>
<td></td>
</tr>
<tr>
<td>9001 transfer to the general fund</td>
<td>791,672</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$830,228</td>
<td></td>
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<tr>
<td>2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8343 property demolition services</td>
<td>18,466</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$18,466</td>
<td></td>
</tr>
<tr>
<td>3. Property assembly, demolition, site preparation and environmental site improvement costs. Subsection (q)(2), (o)(2) and (o)(3)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8343 property demolition services</td>
<td>18,466</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$18,466</td>
<td></td>
</tr>
<tr>
<td>4. Costs of rehabilitation, reconstruction, repair or remodeling or existing public or private buildings. Subsection (q)(3) and (o)(4)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8624 private property rehab</td>
<td>1,047,601</td>
<td></td>
</tr>
<tr>
<td>8625 remodeling and renovation</td>
<td>7,361</td>
<td></td>
</tr>
<tr>
<td>8348 buildings, R&amp;M</td>
<td>723</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$1,055,684</td>
<td></td>
</tr>
<tr>
<td>5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>8321 sidewalks - R&amp;M</td>
<td>29,079</td>
<td></td>
</tr>
<tr>
<td>8627 parking lot improvements</td>
<td>120,769</td>
<td></td>
</tr>
<tr>
<td>8628 storm water system improvements</td>
<td>1,000</td>
<td></td>
</tr>
<tr>
<td>8632 street improvements - maintenance</td>
<td>297,092</td>
<td></td>
</tr>
<tr>
<td>8633 street construction or reconstruction</td>
<td>372,060</td>
<td></td>
</tr>
<tr>
<td></td>
<td>$871,201</td>
<td></td>
</tr>
<tr>
<td>6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIF's ONLY</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td>$-</td>
<td></td>
</tr>
</tbody>
</table>
### SECTION 3.2A

#### PAGE 2

<table>
<thead>
<tr>
<th><strong>7. Cost of job training and retraining, including “welfare to work” programs Subsection (q)(5), (o)(7) and (o)(12)</strong></th>
<th>$</th>
<th>-</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>8. Financing costs. Subsection (q) (6) and (o)(8)</strong></td>
<td>9225 transfers - debt service</td>
<td>1,362,484</td>
</tr>
<tr>
<td><strong>9. Approved capital costs. Subsection (q)(7) and (o)(9)</strong></td>
<td>8639 capital improvements</td>
<td>190,646</td>
</tr>
<tr>
<td><strong>10. Cost of Reimbursing school districts for their increased costs caused by TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation Redevelopment TIFs ONLY</strong></td>
<td>$</td>
<td>190,646</td>
</tr>
<tr>
<td><strong>11. Relocation costs. Subsection (q)(8) and (o)(10)</strong></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td><strong>12. Payments in lieu of taxes. Subsection (q)(9) and (o)(11)</strong></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td><strong>13. Costs of job training, retraining advanced vocational or career education provided by other taxing bodies. Subsection (q)(10) and (o)(12)</strong></td>
<td>$</td>
<td>-</td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>---</td>
<td>---</td>
<td></td>
</tr>
<tr>
<td>14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)</td>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY</td>
<td>$ -</td>
<td></td>
</tr>
<tr>
<td></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></td>
<td></td>
<td></td>
</tr>
<tr>
<td>TOTAL ITEMIZED EXPENDITURES</td>
<td>$ 4,328,710</td>
<td></td>
</tr>
</tbody>
</table>
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>DEKALB COUNTY TREASURER</td>
<td>SURPLUS DISTRIBUTION</td>
<td>2,475,830.87</td>
</tr>
<tr>
<td>DEPOSITORY TRUST COMPANY</td>
<td>DEBT SERVICE PAYMENT</td>
<td>860,000.00</td>
</tr>
<tr>
<td>ILLINOIS DEPARTMENT OF REVENUE</td>
<td>SURPLUS DISTRIBUTION</td>
<td>440,663.32</td>
</tr>
<tr>
<td>CITY OF DEKALB</td>
<td>SURPLUS DISTRIBUTION</td>
<td>385,653.81</td>
</tr>
<tr>
<td>LINCOLN INN RESTAURANT</td>
<td>ECONOMIC DEVELOPMENT RMB</td>
<td>355,000.00</td>
</tr>
<tr>
<td>PAPPAS GLASGOW DEVELOPMENT</td>
<td>ECONOMIC DEVELOPMENT RMB</td>
<td>300,000.00</td>
</tr>
<tr>
<td>DEPOSITORY TRUST COMPANY</td>
<td>DEBT SERVICE PAYMENT</td>
<td>215,000.00</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>154,940.20</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>148,914.21</td>
</tr>
<tr>
<td>DEPOSITORY TRUST COMPANY</td>
<td>DEBT SERVICE PAYMENT</td>
<td>146,196.88</td>
</tr>
<tr>
<td>DEPOSITORY TRUST COMPANY</td>
<td>DEBT SERVICE PAYMENT</td>
<td>136,987.50</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>126,143.77</td>
</tr>
<tr>
<td>ELLWOOD HOUSE ASSOCIATION</td>
<td>ECONOMIC DEVELOPMENT RMB</td>
<td>75,000.00</td>
</tr>
<tr>
<td>DEBUTANTES SCHOOL OF</td>
<td>ECONOMIC DEVELOPMENT RMB</td>
<td>72,374.00</td>
</tr>
<tr>
<td>ELLWOOD HOUSE ASSOCIATION</td>
<td>ECONOMIC DEVELOPMENT RMB</td>
<td>69,034.59</td>
</tr>
<tr>
<td>ALLIANCE CONTRACTORS, INC.</td>
<td>CONTRACTOR</td>
<td>67,121.63</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>66,969.60</td>
</tr>
<tr>
<td>CONRAD SCHMITT STUDIOS INC.</td>
<td>CONTRACTOR</td>
<td>66,751.50</td>
</tr>
<tr>
<td>ABSOLUTE FIRE PROTECTION INC.</td>
<td>CONTRACTOR</td>
<td>55,385.50</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>53,041.35</td>
</tr>
<tr>
<td>VIRGIL COOK &amp; SON, INC.</td>
<td>CONTRACTOR</td>
<td>49,692.67</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>48,122.94</td>
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<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>42,474.58</td>
</tr>
<tr>
<td>OUTSIDE PLANT SERVICES INC.</td>
<td>CONTRACTOR</td>
<td>39,961.76</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>39,820.32</td>
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<tr>
<td>CURRAN CONTRACTING COMPANY</td>
<td>CONTRACTOR</td>
<td>36,288.70</td>
</tr>
<tr>
<td>ABSOLUTE FIRE PROTECTION INC.</td>
<td>CONTRACTOR</td>
<td>35,368.50</td>
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<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>28,202.01</td>
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<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>28,036.91</td>
</tr>
<tr>
<td>AURORA SIGN CO.</td>
<td>CONTRACTOR</td>
<td>22,376.00</td>
</tr>
<tr>
<td>G'S R PLUMBING &amp; HEATING,INC.</td>
<td>CONTRACTOR</td>
<td>19,995.00</td>
</tr>
<tr>
<td>IRVING CONSTRUCTION CO INC</td>
<td>CONTRACTOR</td>
<td>19,945.00</td>
</tr>
<tr>
<td>ABSOLUTE FIRE PROTECTION INC.</td>
<td>CONTRACTOR</td>
<td>18,876.00</td>
</tr>
<tr>
<td>SIPES &amp; SONS</td>
<td>CONTRACTOR</td>
<td>17,750.00</td>
</tr>
<tr>
<td>BAXTER &amp; WOODMAN, INC.</td>
<td>CONSULTANT</td>
<td>17,563.50</td>
</tr>
<tr>
<td>VIRGIL COOK &amp; SON, INC.</td>
<td>CONTRACTOR</td>
<td>16,410.00</td>
</tr>
<tr>
<td>IMS INFRASTRUCTURE</td>
<td>CONTRACTOR</td>
<td>15,338.04</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>14,756.45</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>CONTRACTOR</td>
<td>14,576.11</td>
</tr>
<tr>
<td>Company</td>
<td>Role</td>
<td>Amount</td>
</tr>
<tr>
<td>----------------------</td>
<td>----------</td>
<td>----------</td>
</tr>
<tr>
<td>TRUE NORTH CONSULTANTS, INC.</td>
<td>CONSULTANT</td>
<td>11,565.00</td>
</tr>
<tr>
<td>DEKALB 2020, LLC</td>
<td>CONSULTANT</td>
<td>10,000.00</td>
</tr>
</tbody>
</table>
### Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

**TIF NAME: CENTRAL AREA TIF**

**FUND BALANCE, END OF REPORTING PERIOD**

<table>
<thead>
<tr>
<th>Amount of Original Issuance</th>
<th>Amount Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>1. Description of Debt Obligations</strong></td>
<td></td>
</tr>
<tr>
<td>2010A G.O. Bond</td>
<td>$10,800,000</td>
</tr>
<tr>
<td></td>
<td></td>
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<td></td>
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<tr>
<td></td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
</tr>
<tr>
<td><strong>Total Amount Designated for Obligations</strong></td>
<td>$10,800,000</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th><strong>2. Description of Project Costs to be Paid</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Agreement Obligations</td>
</tr>
<tr>
<td>Infrastructure Improvements</td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td></td>
</tr>
<tr>
<td><strong>Total Amount Designated for Project Costs</strong></td>
</tr>
</tbody>
</table>

**TOTAL AMOUNT DESIGNATED**

| $13,877,995 |

**SURPLUS*/(DEFICIT)**

| $(11,485,576) |

*NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing districts.*
**SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]**

**FY 2014**

**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>
<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 (3):</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 (4):</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>
# FY 2014

**TIF NAME: CENTRAL AREA TIF**

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

---

Check here if NO projects were undertaken by the Municipality Within the Redevelopment Project Area: __________

**ENTER** total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below.

## TOTAL:

<table>
<thead>
<tr>
<th>Private Investment Undertaken (See Instructions)</th>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td>$23,188,268</td>
<td>$</td>
<td>$</td>
</tr>
<tr>
<td>$13,987,550</td>
<td>$198,900</td>
<td>$150,000</td>
</tr>
<tr>
<td>$2</td>
<td></td>
<td>$</td>
</tr>
</tbody>
</table>

## Project 1: **FY14 Ellwood Association - Nehring House renovations**

- **Private Investment Undertaken (See Instructions)**: $150,000
- **Public Investment Undertaken**: $75,000
- **Ratio of Private/Public Investment**: -

## Project 2: **FY14 Egyptian Theater Renovations**

- **Private Investment Undertaken (See Instructions)**: $100,000
- **Public Investment Undertaken**: $100,000
- **Ratio of Private/Public Investment**: -

## Project 3: **FY14 Housing Rehab Grants**

- **Private Investment Undertaken (See Instructions)**: $26,305
- **Public Investment Undertaken**: $26,305
- **Ratio of Private/Public Investment**: -

## Project 4: **FY14 Debutantes Marquee Project**

- **Private Investment Undertaken (See Instructions)**: $85,301
- **Public Investment Undertaken**: $85,301
- **Ratio of Private/Public Investment**: -

## Project 5: **FY14 Augusta Ave. Lighting Project**

- **Private Investment Undertaken (See Instructions)**: $49,693
- **Public Investment Undertaken**: $49,693
- **Ratio of Private/Public Investment**: -

## Project 6: **FY14 Street Maintenance**

- **Private Investment Undertaken (See Instructions)**: $297,092
- **Public Investment Undertaken**: $297,092
- **Ratio of Private/Public Investment**: -

## Project 7: **FY14 Street Construction/Reconstruction**

- **Private Investment Undertaken (See Instructions)**: $372,060
- **Public Investment Undertaken**: $372,060
- **Ratio of Private/Public Investment**: -
<table>
<thead>
<tr>
<th>Project</th>
<th>FY</th>
<th>Description</th>
<th>Private Investment Undertaken (See Instructions)</th>
<th>Public Investment Undertaken</th>
<th>Ratio of Private/Public Investment</th>
</tr>
</thead>
<tbody>
<tr>
<td>8</td>
<td></td>
<td>FY14 Sidewalks repairs</td>
<td>$80,279</td>
<td>$80,279</td>
<td>1</td>
</tr>
<tr>
<td>9</td>
<td></td>
<td>FY13 Richoz AIP 221 WLH</td>
<td>$5,005</td>
<td>$5,005</td>
<td>1</td>
</tr>
<tr>
<td>10</td>
<td></td>
<td>FY13 DeKalb Public Library Expansion</td>
<td>$18,000,000</td>
<td>$2,000,000</td>
<td>9</td>
</tr>
<tr>
<td>11</td>
<td></td>
<td>FY13 McMahon Banquet 305 Grove (Faranda’s)</td>
<td>$1,500,000</td>
<td>$355,000</td>
<td>4</td>
</tr>
<tr>
<td>12</td>
<td></td>
<td>FY13 Pappas (Small’s) Redevelopment Project</td>
<td>$3,676,100</td>
<td>$300,000</td>
<td>12</td>
</tr>
<tr>
<td>13</td>
<td></td>
<td>FY12 Downtown Improvements incl wayfinding signage</td>
<td>$818,910</td>
<td>$818,910</td>
<td>1</td>
</tr>
<tr>
<td>14</td>
<td></td>
<td>2012/2013 Egyptian Theatre Capital Projects</td>
<td>$875,000</td>
<td>$875,000</td>
<td>1</td>
</tr>
<tr>
<td>15</td>
<td></td>
<td>FY12 Annual Sidewalk Maintenance</td>
<td>$91,296</td>
<td>$91,296</td>
<td>1</td>
</tr>
<tr>
<td>16</td>
<td></td>
<td>FY12 Safe Passage Improvements</td>
<td>$19,400</td>
<td>$19,400</td>
<td>1</td>
</tr>
<tr>
<td>Project</td>
<td>Description</td>
<td>Private Investment Undertaken (See Instructions)</td>
<td>Public Investment Undertaken</td>
<td>Ratio of Private/Public Investment</td>
<td></td>
</tr>
<tr>
<td>---------</td>
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<td>--------------------------------------------------</td>
<td>----------------------------</td>
<td>---------------------------------</td>
<td></td>
</tr>
<tr>
<td>Project 17:</td>
<td>FY12 Annual Street Maintenance</td>
<td></td>
<td>$129,750</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project 18:</td>
<td>FY11 Annual Street Maintenance</td>
<td></td>
<td>$403,455</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project 19:</td>
<td>FY11 North 1st Street street overlay</td>
<td></td>
<td>$310,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project 20:</td>
<td>FY11 Confectionary AiP project</td>
<td></td>
<td>$7,163</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project 21:</td>
<td>FY11 Housing Rehab</td>
<td></td>
<td>$33,337</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project 23:</td>
<td>FY11 Resident Officer Program</td>
<td></td>
<td>$152,000</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Project 24:</td>
<td>2010/2011 Lincoln Hwy/Locust Street Reconstruction</td>
<td></td>
<td>$5,422,125</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. *even though optional MUST be included as part of complete TIF report

SECTION 6
FY 2014
TIF NAME:
Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

<table>
<thead>
<tr>
<th>Year redevelopment project area was designated</th>
<th>Base EAV</th>
<th>Reporting Fiscal Year EAV</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

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

_____ The overlapping taxing districts did not receive a surplus.

<table>
<thead>
<tr>
<th>Overlapping Taxing District</th>
<th>Surplus Distributed from redevelopment project area to overlapping districts</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>$ -</td>
</tr>
<tr>
<td></td>
<td>$ -</td>
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<td>$ -</td>
</tr>
</tbody>
</table>

SECTION 7
Provide information about job creation and retention

<table>
<thead>
<tr>
<th>Number of Jobs Retained</th>
<th>Number of Jobs Created</th>
<th>Description and Type (Temporary or Permanent) of Jobs</th>
<th>Total Salaries Paid</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td>$ -</td>
<td>-</td>
</tr>
<tr>
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<tr>
<td></td>
<td></td>
<td>$ -</td>
<td>-</td>
</tr>
</tbody>
</table>

SECTION 8
Provide a general description of the redevelopment project area using only major boundaries:

Optional Documents
Legal description of redevelopment project area
Map of District

Enclosed
December 10, 2014

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 2014.

Sincerely,

John Rey
Mayor
December 10, 2014

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 2014.

Sincerely,

Dean M. Frieders
City Attorney
FY2014 Central Area TIF Activities Statement
July 1, 2013-Jun 30, 2014

**Municipal Parking Lot 10 and Girard Street Project:** Lot 10 and Girard upgrades include milling and surface overlay, replacing old light poles with new decorative light poles and fixtures, and sidewalk improvements.

**Augusta Avenue Lighting Project:** Decorative lighting replaced three wood pole street lights along Augusta Avenue between North First Street and Linden Place adjacent to the Nehring house.

**Ellwood Nehring Improvements:** 2014 was year three of a five year agreement with the Ellwood House Association for improvements to the Nehring Home and carriage house located on the Ellwood House campus. Improvements to the facility include exterior rehabilitation and renovation of historic structures, interior rehabilitation and renovation of historic structures, pedestrian-friendly amenities for the creation of a park setting, driveway and parking, additional ADA upgrades, and additional parking.

**Egyptian Theatre Improvements:** In 2014, the Egyptian Theatre completed the installation of their sprinkler system and associated plaster repairs, completed masonry maintenance to their terra cotta façade, and undertook various other permanent improvements to the facility.

**Debutante’s Marquee Project:** Renovations to bring the “DeKalb” marquee back into working order at Debutante’s School of Cosmetology.

**Low Income Housing Grants:** Provided funding for 4 housing rehabilitation grants to income eligible residents. Improvements included replacement water heaters, replacement furnaces, and roof repairs.

**Street Construction/Reconstruction:** Annual TIF area improvements of street patching, milling, overlaying, sidewalk repairs and alley reconstruction. Includes Fisk Avenue, North 6th Street, Grove Street, North 11th Street, Pearl Street, Gurler Street and Pleasant Street.
MORTGAGE

THIS MORTGAGE is made on this 20th day of December, 2013. The mortgagor is Debutante’s School of Cosmetology and Nail Technology, LLC ("Borrower"). This Security Instrument is given to the CITY OF DEKALB, Illinois, a municipal corporation, and whose address is 200 South Fourth Street, DeKalb, Illinois ("Lender"). Borrower owes Lender the principal sum of Eighty Five Thousand Three Hundred One and 82/100 Dollars ($85,301) which will otherwise be considered a grant from the Lender to the Borrower if Borrower complies with all the conditions contained in Borrower's Note attached hereto as exhibit "A" dated the same date as this Security Instrument ("Mortgage") and with all the conditions stated in Borrower's application for financial assistance under the City of DeKalb Architectural Improvement Program.

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

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

Legal:

LOT 66 (EXCEPT THE WESTERLY 17.6 FEET) ACCORDING TO THE COUNTY CLERK'S SUBDIVISION OF BLOCK 12 OF THE ORIGINAL TOWN (NOW CITY) OF DEKALB, SITUATED IN DEKALB COUNTY, ILLINOIS.

Commonly known as: 145 North Third Street, DeKalb, Illinois 60115

PIN: 08-22-251-023

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

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

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

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

Any notice to Borrower provided for in this Mortgage shall be given by delivering it or by
mailing it by certified mail unless applicable law requires use of another method. The notice shall be
directed to the property address or any other address Borrower designates by notice to the Lender. Any
notice to the Lender shall be given by certified mail to the Planning and Development Department, 200
South Fourth Street, City of DeKalb, Illinois, 60115, or any other address the Lender designates by
notice to the Borrower. Any notice provided for in this Mortgage shall be deemed to have been given to
Borrower or the Lender when given as provided for in this paragraph.

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

[Signature]
Thomas Rogers, Owner

STATE OF ILLINOIS  )
COUNTY OF DEKALB  )
Kane  

I, Jeffrey Zemmin, a Notary Public in and for the County of DeKalb, in
the State of Illinois, do hereby certify that Thomas Rogers, 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

ED0057-13 debutantes mortgage final 12-12-13
waiver of the right of homestead.

Given under my hand and notary seal, given this 14th day of December 2013.
EXHIBIT “A”

PROMISSORY NOTE
CITY OF DEKALB, ILLINOIS

December 20, 2013

$85,301

FOR VALUE RECEIVED, Debutante’s School of Cosmetology and Nail Technology, LLC, as owners of the real property located at 145 North Third Street, DeKalb, Illinois, out of that portion of the real estate mortgaged to secure the payment hereof, TO PAY TO THE ORDER OF the CITY OF DEKALB, or BEARER in the manner hereinafter and in said Mortgage provided, the balance of the principal sum of Borrower owes Lender the principal sum of Eighty Five Thousand Three Hundred One and 82/100 Dollars ($85,301). The balance of the principal sum owed the BEARER shall be reduced by one-fifth (1/5) of the original principal sum on the annual anniversary of the date of this Note, such that the balance of the principal sum for this Note shall equal Zero Dollars and No Cents ($0.00) on the fifth anniversary of the date of this Note.

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

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

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

Thomas Rogers, Owner

STATE OF ILLINOIS    
) SS
COUNTY OF DEKALB    

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

Given under my hand and notary seal, given this 14th day of December 2013.

Notary Public

[Stamp]
OFFICIAL SEAL
JEFFREY ZIEMNIK
Notary Public - State of Illinois
My Commission Expires Jan 27, 2015
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 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

Thomas Rogers
Owner

ATTEST:

Diane Wright
City Clerk
Exhibit A: Certifications

Employment Status: The Bidder certifies that 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 38S/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.

Prevaling 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.

[Signature]
FY14
EGYPTIAN THEATRE
TIF AGREEMENT

AGREEMENT made this 24th day of June, 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, 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 One Hundred Thousand and No/100 Dollars ($100,000) for Fiscal Years 2014 to pay for projects as they are identified herein.

NOW THEREFORE, the parties agree as follows:

I. FUNDING. For Fiscal Year 2014 the City shall grant to P.E.T. an amount not to exceed One Hundred Thousand and No/100 Dollars ($100,000). These monies shall be used to pay the invoices associated with items listed in the prioritized list of capital expenditures provided in Exhibit "A". All invoices for work associated with the items listed in Exhibit "A" completed in Fiscal Year 2013 shall be forwarded to the City of DeKalb no later than July 15, 2014.

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 items listed in the prioritized list of capital expenditures provided 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.

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 second City Council meeting in June 2014 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 no 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. 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.

X. TERM OF AGREEMENT. This Agreement shall be in effect from July 1, 2013 to October 15, 2014.

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.

**Future Projects:**
- Replace Stage Door Alley
- Fix Marquee Electrical
- Exterior Tuckpointing
- Replace faulty sink faucets
- Replace Aisle Lights
- Replace Auditorium & Lobby Ceiling Lights
- Replace Water Heaters
- Install Security System
- Replace Front Doors & include ADA entrance device
- Wurlitzer Theatre Organ Project
- Replace movie screen and frame
- Rigging Repairs
- Replace FOH Raceway and cabling
- Security Cameras
- Replace Main Curtain, Main Border, and Valance
- Replace architectural lighting with LED’s
- Upgrade Marquee
- Replace carpet
- 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
Exhibit “B”
Bidder 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 or 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 25th 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”.)

RECORDS

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 or reject 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-previously 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

[Signature]
Kris Povlsen
Mayor

[Signature]
Diane Wright
City Clerk

Ellwood House Association, Inc.

[Signature]
Brian Reis
Director

[City Seal]
PROFESSIONAL SERVICE AGREEMENT (ADVISOR)
CITY OF DEKALB

THIS AGREEMENT, by and between the City of DeKalb, hereinafter referred to as the "City" and "Kathleen Field Orr and Associates" hereinafter referred to as the "Contractor", with the City and Contractor agreeing as follows:

A. Services:

Contractor agrees to furnish to the City the following services:

See attached Exhibit A

Contractor represents that it possesses the skills and knowledge necessary to provide all such services and understands that the City is relying upon such representation. Contractor further acknowledges that Exhibit A is an integral part of this Agreement and may not be modified except in accordance with a modification to the terms of this Agreement.

B. Term:

Services will be provided as needed and directed by the City beginning on the date of execution of this agreement and continuing, until terminated by either party upon 7 days written notice to the non-terminating party. Upon termination the Contractor shall be compensated for all work performed for the City prior to termination and shall provide to the City all work completed through the date of termination. The City's issuance of a notice of termination shall function as a stop work order, beyond which the Contractor shall not incur any additional costs without the City's express, written permission.

C. Compensation:

Contractor shall receive as compensation for all work and services to be performed herein, an amount based on the fee schedule attached hereto as Exhibit B. All payments will be made according to the Illinois State Prompt Payment Act.

Any payment made to the Contractor shall be strictly on the basis of quantum meruit. The Contractor shall submit to the City a detailed breakdown and invoice of all charges, including detail of past payments and amounts still remaining due, accurate to the date of the invoice, with each request for payment. Any additions to or deductions from the approved total amount of the contract, and any out of scope work shall require prior, written approval from the City. Any work performed without the City's express, written consent shall be solely at the expense of the Contractor. The following optional provisions, if checked, shall apply:
This work is to be completed on a time and materials basis in accordance with the rate schedule attached in Exhibit B.

This work is to be completed subject to a not-to-exceed price of $__________.

The Parties expressly acknowledge that this Agreement is being entered into pursuant to the City Manager's spending authority, and in no event shall the sum of all charges contemplated herein, inclusive of all fees, expenditure reimbursements or other payments of any kind, exceed Twenty Thousand Dollars ($20,000.00). Unless and until the City provides written notice to Contractor that this agreement has been ratified, approved or amended by the City Council and can exceed that threshold, this Agreement shall be deemed to terminate automatically, without any obligation for further notice, work or payment, upon reaching the threshold. Contractor shall provide the City with written notice when the total amount charged hereunder has reached or exceeded Fifteen Thousand Dollars ($15,000.00).

D. Changes in Rates of Compensation:

If the Contractor seeks to impose any change in the fee schedule (whether in terms of hourly fee or lump sum fees), then the Contractor shall provide not less than ninety days written notice of its intent to change its fee schedule, and any such change in fee schedule shall require the approval of the City. The Parties acknowledge that this Agreement is for professional services and is not subject to the Illinois Prevailing Wage Act.

E. Ownership of Records and Documents / Confidential Information:

Contractor agrees to keep and maintain all books and records and other recorded information required to comply with any applicable laws. Contractor agrees to keep such information confidential and not to disclose or disseminate the information to third parties without the consent of the City. Contractor further agrees to keep as confidential any information belonging or relating to the City which is of a confidential nature, including without limitation information which is proprietary, personal, required by law to be confidential, or relates to the business, operations or accounts of the City. This confidentiality shall not apply to material or information, which would otherwise be subject to public disclosure through the freedom of information act or if already previously disclosed by a third party. Contractor acknowledges that the Freedom of Information Act, 5 ILCS 140/1 et seq. (the “Act”) places an obligation on the City to produce certain records that may be in the possession of Contractor. Contractor shall comply with the record retention and documentation requirements of the Local Records Act 50 ILCS 205/1 et seq. and the Act and shall maintain all records relating to this Agreement in compliance with the Local Records Retention Act and the Act (complying in all respects as if the Contractor was, in fact, the City). Contractor shall review its records promptly and produce to the City within two business days of contact from the City the required documents responsive to a request under the Act. If additional time is necessary to
comply with the request, the Contractor may request the City to extend the time so, and the City will, if time and a basis for extension under the Act permits, consider such extensions.

F. Governing Law:

This contract shall be governed and construed in accordance with the laws of the State of Illinois. Venue and jurisdiction for any legal action arising out of or related to this Agreement shall be exclusively fixed in the DeKalb County Circuit Court, DeKalb County, Illinois.

G. Independent Contractor:

Contractor shall have sole control over the manner and means of providing the work and services performed under this agreement. The City’s relationship to the Contractor under this agreement shall be that of an independent contractor. Contractor will not be considered an employee to the City for any purpose. The parties agree that the Contractor is exclusively responsible for the determination of what work is required to complete the tasks outlined in Exhibit A, and for the means and methods of completing such work. The City’s compensation to Contractor shall be limited to that described in Exhibit B, and the City shall not reimburse any expenses, provide any benefits, withhold any employment taxes or otherwise have a financial relationship with Contractor other than payment of the stated compensation. The Contractor shall be solely responsible for withholding of taxes, providing employee benefits, or otherwise complying with applicable laws relating to its employees or contractors.

Contractor shall be responsible for its’ own personnel, training, instruction and related matters. Contractor shall be responsible for determining its sequence of performance for required work. Contractor’s work shall be evaluated by the City based upon the end result of such work. Contractor shall be responsible for any expenses incurred by Contractor in the performance of its work, and shall not be authorized, expressly or impliedly, to obligate the City on any debt, contract or other agreement whatsoever. In the event that Contractor is compensated on an hourly basis under the terms of this Agreement, the City and Contractor agree that Contractor’s compensation is usual and customary, based on the terms that Contractor offers its services to the market in general.

The Contractor acknowledges that neither it nor its personnel shall be acting as an employee or official representative of the City for purposes of being offered any protection or coverage under City insurance policies for tort immunity or other legal purposes.

H. Certifications:
Executing this Agreement constitutes acknowledgment, acceptance, a certification of the accuracy of the following certifications, and any other certifications required under any applicable law relating to the performance of this Agreement. The Contractor is responsible for identifying all such applicable regulations and certifications, and for compliance with the same.

**Authorized in Illinois:** The Contractor that it is authorized to lawfully transact business and perform the services contemplated herein in the State of Illinois, under all applicable Illinois laws and regulations.

**General Compliance and Certification:** The Contractor certifies that it has and will comply with all other applicable laws, regulations, ordinances or restrictions applicable to any component of the contracting process, agreement, or any services or materials provided in connection therewith. The Contractor acknowledges that it is responsible for identifying and complying with all applicable laws, ordinances, rules and regulations, and that it shall indemnify and hold harmless the City of DeKalb from any claim, liability or damages arising out of the failure to identify or comply with any such applicable legal restriction.

I. Insurance, Licensure and Intellectual Property:

The Contractor shall comply with all insurance requirements described on the attached Exhibit C. The Contractor agrees and warrants that it has procured all licenses, permits or other official permissions required by any applicable law to perform the services contemplated herein, that it will procure all additional licenses, permits or other official permissions hereafter required by law during the term of this Agreement, and that it will keep all such licenses in effect during the term of this Agreement. The Contractor shall provide a copy of any such licenses or permits upon request. All such insurance and licensure shall be provided at the Contractor’s sole expense. Contractor also warrants that it has complete ownership or authorization/entitlement to any intellectual property, software, images or other such items used in the performance of its work under this Agreement, and that it shall transfer to the City, unrestricted, the ability to modify, amend, publicize or otherwise utilize any intellectual property provided to the City under this Agreement unless the City expressly preapproves in writing a limitation to these provisions.

All drawings, specifications, reports and any other project documents prepared by the Contractor in connection with any or all of the services to be furnished thereunder shall be delivered to the City for the expressed use of the City. The Contractor shall have the right to retain original documents, but shall cause to be delivered to the City such quality of documents so as to assure total reproducibility of the documents delivered. All information, worksheets, reports, design calculations, plans and specifications shall be the sole property of the City unless otherwise specified in the negotiated agreement. The Contractor agrees that basic survey notes and sketches, charts, computations and other data prepared or obtained by the Contractor pursuant to this Agreement shall be made available,
upon request, to the City without cost and without restriction or limitation as their use. All field notes, test records, and reports shall be available to the City upon request.

J. Additional Terms or Modification:

The terms of this agreement shall be further modified as provided on the attached Exhibit A, Exhibit B and Exhibit C. Except for those terms included on Exhibit A, Exhibit B and Exhibit C, no additional terms are included as a part of this agreement. All prior understandings and agreements between the parties are merged into this agreement, and this agreement may not be modified orally or in any manner other than by an agreement in writing signed by both parties. The City reserves the right by written amendment to make changes in requirements, amount of work, or time schedule adjustments. The Contractor shall negotiate appropriate adjustments acceptable to both parties to accommodate any changes. The City may, at any time by written order, require the Contractor to stop all or part of the services required by this Agreement. Upon receipt of such an order, the Contractor shall immediately comply with its terms and take all steps to minimize the occurrence of costs allocable to the services covered by the order. If the Contractor identifies any costs associated with the suspension of services, such costs must be expressly approved by the City in writing, or they shall be the sole expense of the Contractor.

K. Notices:

All notices required to be given under the terms of this License shall be given by US mail, postage prepaid, or by e-mail, addressed to the parties as follows:

For the City: For the Contractor:

City Manager  Kathleen Field Orr and Associates
City of DeKalb  53 W. Jackson Boulevard, Suite 964
200 S. Fourth Street  Chicago, IL 60601
DeKalb, IL 60115 kfo@kfoassoc.com
annemarie.gaura@cityofdekalb.com

Either of the parties may designate in writing from time to time substitute addresses or persons in connection with required notices.

L. Subcontractors and Third Parties:

Contractor shall not assign or subcontract for the performance of any obligation under this Agreement, except with the express, written preapproval of the City, which consent may be withheld in the City’s sole and absolute discretion. Should Contractor assign any obligation arising under this Agreement with the consent of the City, the Contractor shall remain to be primarily liable to the City for the performance of the obligation in question, and further shall be liable for ensuring
that the subcontractor(s) comply with all obligations arising under this Agreement as if the subcontractor(s) was/were the Contractor itself. Further, should Contractor request to assign the performance of any obligation arising hereunder to a subcontractor, Contractor expressly provides its consent to the City contracting directly with such proposed subcontractor (or another subcontractor acceptable to the City) for the performance of such work, and to the amendment of this Agreement to reduce the scope and cost accordingly.

Nothing contained in this Agreement, nor the performance of the parties hereunder, is intended to benefit, nor shall it inure to the benefit of any third party.

M. Progress Reports:

Contractor shall report to the City Manager or her designee, and shall submit written progress reports identifying, in detail, the extent of work completed, the percentage of project completion, and project status, accompanying any invoice submitted to the City. Contractor shall also provide additional written or verbal progress reports to the City upon request, at any time, without additional charge. The Contractor shall attend conferences and visit the City at any reasonable, mutually acceptable time when requested to do so by the City.

N. Conflicts:

Contractor may continue to represent or undertake to represent existing or new clients in those matters that are not substantially related to Contractor’s work for the City, even if the interests of such clients in those matters are directly adverse to City. Contractor agrees however that the City’s prospective consent to conflicting representation contained in this paragraph shall not apply in any instance where, as a result of Contractor’s representation of the City, Contractor has obtained sensitive proprietary or other confidential information of a non-public nature that, if known to any such other client of Contractor, could be used in any such other matter by such client to the material disadvantage of the City. Contractor and the City covenant to work in good faith to identify any current or prospective conflicts, and to negotiate in good faith to resolve or waive such conflicts, or to limit or terminate services under this Agreement so as to avoid such conflicts.

Agreed to this 15th day of April, 2014.

City of DeKalb

City Mayor/Manager
Exhibit A:

Description of Work

Professional consultation and advice regarding tax increment financing, development projects and real property development, developing plans for utilization of public funds, other formal or informal consulting on legal issues or related matters for the City of DeKalb on an as-needed basis, and other services as may be requested from time to time.
Exhibit B:

Fee Schedule

$200 per hour.

Any reimbursable expenses shall be reimbursed at actual cost, and shall be subject to prior approval by the City.
Exhibit C:

Insurance Requirements:

1. All Contractors and All Contracts.

Contractor shall provide any and all insurance required under any applicable law, regulation, statute or ordinance, including but not limited to workers’ compensation insurance, unemployment insurance, automobile liability insurance and other legally required insurance. Contractor shall produce a certificate evidencing current coverage, upon request from the City. Contractor shall indemnify and hold harmless the City from any and all liability, damage, cost or expense which the City may incur or be liable to pay as a result of any and all accidental injuries or damages suffered by the Consultant or its employees (in addition to any other required indemnification or insurance from Consultant).

2. Professional Liability Insurance Coverage / Errors & Omissions Insurance Coverage:

Professional Liability / Malpractice: Contractor shall also be required to provide the City with a Certificate of Insurance, in a form and from an issuer acceptable to the City, indicating that the Contractor has obtained and maintains professional liability or malpractice insurance with policy limits of not less than One Million Dollars ($1,000,000.00) per person / per occurrence. Said policy need not identify the City as additional primary insured.

3. Indemnification.

The policy limits, availability or inavailability of insurance coverage or the applicability of claims, defenses or limitations based upon applicable law (including but not limited to the Illinois Worker’s Compensation Act or similar laws or statutes) shall in no way limit the Contractor’s obligation to indemnify and hold harmless the City from any claims for damage, liabilities or other costs arising out of or relating to the Contractor’s work or this Agreement.
MORTGAGE

THIS MORTGAGE is made on the same date herewith. The mortgagor is George and Karen Woods ("Borrower"). This Security Instrument is given to the CITY OF DEKALB, Illinois, a municipal corporation, and whose address is 200 South Fourth Street, DeKalb, Illinois ("Lender"). Borrower owes Lender the principal sum of Six thousand four hundred thirty and 00/100 Dollars ($6,430.00) which will otherwise be considered a grant from the Lender to the Borrower if Borrower complies with all the conditions contained in Borrower's Note dated the same date as this Security Instrument ("Note") and with all the conditions stated in Borrower's application for financial assistance under the City of DeKalb Private Property Rehabilitation Program. If Borrower complies with said Note this mortgage shall be released on the 20 day of September, 2018.

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

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


Commonly known as: 120 Home Drive, DeKalb, Illinois 60115
PIN: 08-24-351-009

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

It is expressly understood by the Borrower, who is the maker of the Note and who is the applicant under the City of DeKalb Private Property Rehabilitation Program, that upon compliance by the Borrower with the terms and conditions of the Note and upon payment in full of said Note (if required under conditions in the Note), the Note together with this Mortgage shall be released.
If all or part of the property or any interest is sold or transferred without the City of DeKalb's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage.

If the Lender exercises this option, the Lender shall give the Borrower notice of such action. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums before the expiration of this period, the Lender will invoke all remedies permitted by this Mortgage without further notice or demand on Borrower.

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

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

In witness whereof, the Borrower has executed this Mortgage on the 10________ day of

October, 2013.

George Woods

Karen Woods

STATE OF ILLINOIS
COUNTY OF DEKALB

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

Given under my hand and notary seal, given this 10________ day of October________.

2013.

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 Six thousand four hundred thirty and 00/100 Dollars ($6,430.00) 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 20 day of September, 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 OF LINCOLN VIEW SUBDIVISION, BING A PART OF THE SOUTHWEST 
¼ OF SECTION 24, TOWNSHIP 40 NRTH, RANGE 4, EAST OF THE THIRD PRINCIPAL
MERIDIAN, IN THE CITY OF DEKALB, AS PER THE PLAT THEREOF RECORDED
MARCH 23, 1954, AS DOCUMENT NO. 269031, IN BOOK "I" OF PLATS, PAGE 24,
SITUATED IN DEKALB COUNTY, ILLINOIS.

Commonly known as: 120 Home Drive, DeKalb, Illinois 60115
PIN: 08-24-351-009

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.

George Woods

Karen Woods

10/10/13

10/10/13

Date

Date

STATE OF ILLINOIS )
SS )

COUNTY OF DEKALB )

I, Jamie L. Smirz, a Notary Public in and for the State of Illinois, do hereby certify that
George and Karen Woods, 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 __________ day of __________, __________.

Jamie L. Smirz
Notary Public
MORTGAGE

THIS MORTGAGE is made on the same date herewith. The mortgagor is Peter Glanzmann and Sandra Glanzmann ("Borrower"). This Security Instrument is given to the CITY OF DEKALB, Illinois, a municipal corporation, and whose address is 200 South Fourth Street, DeKalb, Illinois ("Lender"). Borrower owes Lender the principal sum of Five Thousand and 00/100 Dollars ($5,000.00) which will otherwise be considered a grant from the Lender to the Borrower if Borrower complies with all the conditions contained in Borrower's Note dated the same date as this Security Instrument ("Note") and with all the conditions stated in Borrower's application for financial assistance under the City of DeKalb Private Property Rehabilitation Program. If Borrower complies with said Note this mortgage shall be released on the 21st day of February, 2019.

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

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

The North ½ of Lot 5 (except the East 20 feet thereof) in Block 6 in Gilson's Addition to DeKalb, according to the plat thereof recorded in Book “A” of Plats, page 21, on March 18,1856, in DeKalb County, Illinois.

Commonly known as: 904 Pleasant Street, DeKalb, Illinois 60115
PIN: 08-23-252-001

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

It is expressly understood by the Borrower, who is the maker of the Note and who is the applicant under the City of DeKalb Private Property Rehabilitation Program, that upon compliance by the Borrower with the terms and conditions of the Note and upon payment in full of said Note (if required under conditions in the Note), the Note together with this Mortgage shall be released.
If all or part of the property or any interest is sold or transferred without the City of DeKalb's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage.

If the Lender exercises this option, the Lender shall give the Borrower notice of such action. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums before the expiration of this period, the Lender will invoke all remedies permitted by this Mortgage without further notice or demand on Borrower.

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

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

In witness whereof, the Borrower has executed this Mortgage on the 28 day of

[Signature]
Peter Glanzmann

STATE OF ILLINOIS
COUNTY OF DEKALB

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

Given under my hand and notary seal, given this 28 day of

[Signature]
Notary Public

Glanzmann Mortgage
Page 2 of 2
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 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 21st day of February, 2014. 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:

The North ½ of Lot 5 (except the East 20 feet thereof) in Block 6 in Gilson’s Addition to DeKalb, according to the plat thereof recorded in Book “A” of Plats, page 21, on March 18, 1856, in DeKalb County, Illinois.

Commonly known as: 904 Pleasant Street, DeKalb, Illinois 60115
PIN: 08-23-252-001

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.

Peter Glanzmann

Date 2/28/14

Sandra Glanzmann

Date 2/28/14

STATE OF ILLINOIS )
) SS
COUNTY OF DEKALB )

I, Jamie Smirz, a Notary Public in and for the State of Illinois, do hereby certify that Peter Glanzmann and Sandra Glanzmann, 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 28 day of February, 2014.

Notary Public

[Notary Seal]
City of DeKalb
Owner-Occupied Housing Rehabilitation Program
Declaration of Understanding

I/We, the undersigned owner ("Owner"). Peter and Sandra Glanzman, have applied for a grant from the City of DeKalb, Illinois ("City"), for assistance through the Private Property Rehabilitation Program for property commonly known as 904 Pleasant Street. The property is legally described as:

The North ½ of Lot 5 (except the East 20 feet thereof) in Block 6 in Gilson’s Addition to DeKalb, according to the plat thereof recorded in Book “A” of Plats, page 21, on March 18, 1856, in DeKalb County, Illinois.

PIN: 08-23-252-001

I/We understand the guidelines for this program and have been informed of the following conditions, which apply:

The City shall:

1. Inspect the property to determine eligible repairs.
2. Provide a list of repairs needed to meet minimum code standards.
3. Consult with the Owner regarding all bids.
4. Require that all applicable permits be obtained. However, fees for said permits shall be waived.
5. Pay contractor directly for work, after it has been inspected and approved by City staff.

The Owner shall:

1. Abide by all program requirements and policies.
2. Supply all documentation required for verification of income, insurance, property ownership and any other information, which shall be required.
3. Allow inspection of the property by City staff before, during and after any work has begun.
4. Receive verification in writing from City staff prior to causing changes in any eligible work.
5. Receive no grant assistance for work, which was performed prior to signing this or any other agreement with the City.
6. Sign a promissory note and mortgage for the actual amount of all work completed through the program. (Actual amount not to exceed $5,000)
7. Not be eligible for further assistance through the Owner-Occupied Rehabilitation Program for a period of five years after the completion of the current project.

The Owner further acknowledges that City staff has provided written program guidelines, and discussed and explained the following information:
1. Lead-based paint and EPA regulations
2. Recapture Agreement
3. Total grant amount allowed
4. Mortgage and Promissory Note
5. Recording requirements
6. Title/lien search
7. State Historic Preservation requirements
8. Inspection procedures
9. Bidding process
10. Pay-out process
11. Close-out process
12. Time-lines for project

Owner further understands that upon completion of rehab work to their home, failure to sign the Mortgage and Promissory Note will result in the grant being converted to a loan and a lien immediately being placed on their property for all project expenses.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the ___ day of October, 2013.

OWNER(S):

Peter Glanzmann
Sandra Glanzmann

STATE OF ILLINOIS
COUNTY OF DEKALB

I, Jamie L. Smirz, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that the above named persons, 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/they signed, sealed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set-forth.

Given under my hand and notary seal, given this ___ day of October, 2013.

Jamie L. Smirz
Notary Public
REHABILITATION PROGRAM AGREEMENT

THIS PRIVATE PROPERTY REHABILITATION AGREEMENT (the “Agreement”), made this 10 day of October, 2013 by and between Peter and Sandra Glanzmann (the “Owner”), who reside(s) at 904 Pleasant Street (the “Property”), and City of DeKalb, a unit of local government (the “City”), having its principal offices at 200 South Fourth Street, DeKalb, Illinois.

WITNESSETH

WHEREAS, the City has applied for and received funds from the United States Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, Public Law 93-383; and

WHEREAS, the City wishes to provide forgivable loans (individually, a “Loan”) to eligible property owners for the rehabilitation of eligible single-family residences (individually, a “Residence”) under the City’s Private Property Rehabilitation Program (the “Rehabilitation Program”). Such program shall include activities eligible under the Community Development Block Grant (CDBG) Program; and

WHEREAS, the Owner is the owner of record of the Residence and has applied to the City for a Loan for the rehabilitation of the Residence (the “Project”); and

WHEREAS, it is a condition of the making of the Loan that the Owner enter into and be bound by this Agreement.

In consideration of the recitals set forth above and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. **REICITALS.** The foregoing recitals are made part of this Agreement.

2. **GENERAL CONDITIONS.** This Agreement and the Loan shall be subject to the terms and conditions as set forth in the CDBG regulations and the local program guidelines.

3. **OWNER REPRESENTATIONS AND WARRANTIES.** The Owner represents and warrants to the City as follows:

   a. The Owner’s Household has a gross annual income, as adjusted for family size, that is less than or equal to 80 percent of the median income for the metropolitan statistical area in which the Residence is located, as determined by the United States Department of Housing and Urban Development.

   b. The Owner holds fee simple title to, or has a 99-year leasehold interest in, or has ownership or membership in a cooperative corporation owning, or has entered a contract for deed covering, the Residence.

   c. The Residence is the principal residence of the Owner.
d. Loan proceeds shall be used to pay only Eligible Costs (as that term is defined in the program guidelines) of the Project.

4. **TERMS AND CONDITIONS OF THE LOAN.** The Loan shall be subject to the following terms and conditions:

a. **Amount, Interest, Term and Security.** The Loan shall be in an amount not to exceed Five Thousand Dollars ($5,000.00), shall bear no interest, shall be for a term of five (5) years and shall be governed by the Recapture Agreement, as provided hereof.

b. **Use.** The proceeds of the Loan shall be used to rehabilitate the Residence, as more fully described herein.

c. **Recapture Agreement.** The owner shall enter into a recapture agreement with the City in the form attached hereto as Exhibit A, pursuant to which the Owner agrees, among other things, to repay to the City a pro-rated portion of the Loan if a sale, conveyance or transfer of the Residence, other than a transfer by will or by operation of law upon the death of a joint tenant Owner or such other transfer as may be approved by the City, in their sole discretion, occurs within the applicable Recapture Period for the Loan. The Recapture Period shall be for five (5) years from the date of the completion of the project, and the amount of the repayment shall be in the amount of the loan reduced by one-sixtieth (1/60th) for each full month of occupancy of the Residence by the Owner from the date of the Recapture Agreement.

d. **Loan Documents.** Upon City approval of the Project, the Owner shall deliver to the City the following documents and such other documents as the City may require, in its sole discretion, all executed in the manner indicated therein, and in form and substance acceptable to the City (collectively, including this Agreement and Loan Documents):

   i. The Declaration of Understanding between the Owner and City attached hereto as Exhibit B;
   
   ii. The Mortgage and Promissory Note in the amount of the Loan in favor of the City in the form attached hereto as Exhibit C, (the “Note”);
   
   iii. The Recapture Agreement between the Owner and City be recorded in the county in which the Residence is located, attached hereto as Exhibit A;
   
   iv. Any and all other documents and showings requested by the City.

c. **Payment.** Upon completion of the rehabilitation of the Residence and funds are needed for payment of Eligible Costs, the contractor shall submit to the City a request for payment. No more than ten (10) business days after the City receives the request for payment, the City shall inspect the Residence and approve or reject the contractor’s request for payment. If the City approves the request, the disbursement shall be made directly to the contractor and any subcontractor who worked on the Project. The City shall not make a disbursement until the work is satisfactorily completed, inspection has been completed and it has received lien waivers for all work from all such contractors and subcontractors. If the work does not pass inspection and the City rejects the contractor’s request for payment; it shall give its reasons for such rejection in writing to the Owner and contractor.

5. **REHABILITATION PROGRAM REQUIREMENTS.**

a. **Government Approvals.** The Owner shall obtain all Federal, State and local government approvals required by law for the Project.

b. **Project Standards.** The Owner shall cause the Project to comply with all local codes, ordinances, zoning ordinances, rehabilitation standards and the housing quality standards set forth in the Rules.
c. **Scope of Work.** The City and Owner agree that the only rehabilitation to be done in connection with the Project, subject to written change orders ("Change Orders"), listed in the “Scope of Work”.

The Scope of Work shall be done by the Owner and City prior to work being done. All Change Orders must be in writing and approved by the City and the Owner before deletions, modifications or additions can be made to the Scope of Work. The City shall authorize only those Change Orders necessary for the correction of building code violations identified during the course of the Project or for changes necessary to complete the Project in a workmanlike manner. **THE OWNER UNDERSTANDS AND AGREES THAT IF IT REQUESTS A CONTRACTOR TO PERFORM WORK NOT LISTED IN THE SCOPE OF WORK OR ON ANY APPROVED CHANGE ORDERS, THE OWNER IS SOLELY RESPONSIBLE FOR THE PAYMENT FOR SUCH ADDITIONAL WORK.**

d. **Inspection.** The City shall have the right to inspect the Residence during the course of the Project.

e. **Construction Contracts.** The City shall not be responsible for (i) construction means, methods, techniques, or sequences of construction, (ii) procedures for safety precautions in connection with the Project, (iii) the contractor’s work, or (iv) the contractor’s failure to carry out the Project in accordance with their Construction Contract. The City shall be the interpreter of the requirements of the Construction Contract and shall make decisions on all claims and disputes in connection with the Project between the Owner and the contractor, which shall be final and binding on all parties thereto. The Owner shall not terminate a Construction Contract without prior written approval of the City.

f. **Insurance.** If the Owner receives insurance proceeds for any damage or destruction to the Residence occurring during the course of the Project, the Owner shall apply such proceeds to the repair of such damage or destruction, if practicable.

g. **Cooperation.** The Owner understands and agrees that the Owner shall cooperate at all times with the City and the Owner’s contractor(s) and will do all acts necessary to facilitate the Project.

6. **CONFLICTS.** The Owner shall incorporate into all Construction Contracts Language prohibiting any member, officer, employee, representative or agent of the City, or member of the immediate family of such individuals, from having an interest in this Agreement, any Construction Contract or any other contract or subcontract, or the proceeds of any such Construction Contract or other contract or subcontract, entered into in connection with this Agreement.

7. **RECORDS.** At the request of the City, the Owner shall furnish such reports, records and information in connection with the Project required by the City, and shall give specific answers to questions from the City from time to time relative to the Owner’s income, assets, liabilities, or contracts, all relating to the Project, and the maintenance, occupancy, and physical condition of the Residence.

8. **IDEMNIFICATION.**

a. The Owner shall indemnify the City and the City’s officers, agents, employees or servants against, and hold them harmless from, liabilities, claims, damages, losses and expenses, including, but not limited to, legal defense costs, attorneys’ fees, settlement or judgments, whether by direct suit or from third parties, arising out of the Owner’s performance under this Agreement or the work performed by a contractor in connection with the Project, in any claim or suit brought by a person or third party against the Sponsor, the Authority of the Sponsor’s, or the Authority’s respective officers, agents, employees or servants.
b. If a claim or suit is brought against the City or the City’s officers, agents, employees or servants, for which the Owner is responsible pursuant to subparagraph (a) of this Paragraph 8, the Owner shall defend, at the Owner’s cost and expense, any suit or claim, and shall pay any resulting claims, judgments, damages, losses, costs, expenses or settlements against the City or the City’s officers, agents, employees or servants.

9. **VIOLATION OF AGREEMENT.** Upon violation of any of the provisions of this Agreement by the Owner, the City shall give written notice thereof to the Owner, as provided in Paragraph 11 hereof. If such violation is not corrected to the satisfaction of the City within thirty (30) days after the date such notice is given, or within such further time as the City in its sole discretion permits (but if such violation is of a nature that it cannot be cured within such thirty (30) day period, then so long as the Owner commences to cure within such thirty (30) day period and diligently pursues such cure to completion within a reasonable period not to exceed one hundred twenty (120) days from the date of such notice, it shall not be considered a violation), the City may declare a default under this Agreement, effective on the date of such declaration of default and notice thereof to the Owner, and upon such default the City may:

   a. Terminate this Agreement;

   b. Exercise any rights it may have under the Loan Documents; and

   c. Exercise such other rights or remedies as may be available to the City, at law or in equity.

The City’s remedies are cumulative, and the exercise of one remedy shall not be deemed an election of remedies, nor foreclose the exercise of any other remedy by the City. No waiver or any breach of this Agreement by the City shall be deemed to be a waiver of any other breach or a subsequent breach. If the City fails to exercise, or delays in exercising, any right under this Agreement, such failure or delay shall not be deemed a waiver of such right or any other right.

10. **AMENDMENT.** This Agreement shall not be altered or amended except in a writing signed by the parties hereto.

11. **NOTICES.** Any notice, demand, request or other communication that any party may desire or may be required to give to any other party hereunder shall be given in writing, at the addresses set forth above, by any of the following means: (a) personal service; (b) electronic communication, with confirmation of receipt; (c) overnight courier; or (d) registered or certified United States mail, postage prepaid, return receipt requested.

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to either subsection (a) or (b) hereof shall be served and effective upon such personal service or upon dispatch by such electronic means. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective upon deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (d) shall be served and effective by three (3) business days after proper deposit with the United States Postal Service.

12. **SUCCESSORS.** This Agreement shall bind, and the benefits shall inure to, the parties hereto, their legal representatives, successors in office or interest and assigns, provided that the Owner may not assign this Agreement, its rights to the Loan proceeds or any of its obligations hereunder without the prior written approval of the City.

13. **SURVIVAL OF OBLIGATION.** The Owner’s obligations, as set forth in this Agreement, shall survive the disbursement of the Loan, and the Owner shall continue to cooperate with the Sponsor and furnish any documents, exhibits or showings required.
14. CONSTRUCTION AGREEMENT:

a. Partial Invalidity. If any term, covenant, condition or provision of this Agreement, or the application thereof to any circumstance, shall, at any time or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement, or the application thereof to circumstances other than those as to which it is held invalid unenforceable, shall not be affected thereby and each term, covenant, condition, provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

b. Gender. The use of the plural in this Agreement shall include the singular, the singular shall include the plural, and the use of any gender shall be deemed to include all genders.

c. Captions. The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of any provision of the Agreement.

d. Construction. This Agreement shall be construed and interpreted in accordance with the laws of the State of Illinois.

15. COUNTERPARTS. This Agreement may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Agreement must be produced or exhibited, be the Agreement, but all such counterparts shall constitute one and the same agreement.

16. WAIVER OF JURY TRIAL. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE REHABILITATION PROGRAM OR THIS AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written.

OWNER(s):

Peter Glanzmann

Sandra Glanzmann

STATE OF ILLINOIS )

) SS

COUNTY OF DEKALB )

I, Jamie Smirz, a Notary Public in and for the County of DeKalb, in the State of Illinois, do hereby certify that the person(s) listed above, 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 10 day of October, 2013.

Jamie Smirz
Notary Public.

Planning/2010/CDBG10/Jamie/Rehabilitation Program Agreement
Attachments:

EXHIBIT A - Recapture Agreement
EXHIBIT B - Declaration of Understanding
EXHIBIT C - Mortgage and Promissory Note
RECAPTURE AGREEMENT  
(EXHIBIT A)

THIS RECAPTURE AGREEMENT (the “Agreement”), dated as of the __/0__ day of
October ___, 2013, is by and between Peter and Sandra Glanzman, whose address is 904
Pleasant Street, DeKalb, Illinois, 60115 (the “Owner”), and the City of DeKalb, a unit of local
government, having its principal office at 200 South Fourth Street, DeKalb, Illinois, 60115 (the “City”).

WITNESSETH

WHEREAS, the Owner is the holder of legal title to certain real estate on which a single family
residence (the “Residence”) is located, commonly known as 904 Pleasant Street, DeKalb, Illinois (the
“Property”). The real estate is legally described in Exhibit B and C attached hereto and by this reference
made a part hereof; and

WHEREAS, the Sponsor has agreed to make a forgivable loan to the Owner, as evidenced by that
certain note (the “Loan”) to be used with such other monies as the Owner may provide, if any, to rehabilitate
the Property; and

WHEREAS, as an inducement to the City to make the Loan, the Owner has agreed to enter into this
Agreement in accordance with the terms, conditions and covenants set forth below.

NOW, THEREFORE, the parties hereto covenant and agree as follows:

1. Incorporation. The foregoing recitals are made a part of this Agreement as fully and with the
   same force and effect as repeated herein at length.

2. Restrictions. As a condition of the provision of the Loan, the Owner agrees to repay to
   the City a pro-rated portion of the Loan if a sale, conveyance or transfer of the
   Property of than a transfer by will or by operation of law upon the death of a joint
   tenant Owner or such other transfer as may be approved by the City, in their sole
   discretion, occurs within the applicable “Recapture Period” for the Loan. The
   Recapture Period shall be for five (5) years of the date of completion and the amount
   of the repayment shall be the amount of the Loan reduced by one-sixtieth (1/60th) for
   each full month after completion of rehabilitation.

3. Violation of Agreement by Owner. Upon the Owner’s failure to make any payment due
   under this Agreement, the City shall give a written notice thereof to the Owner by
   registered or certified mail addressed to the address stated in this Agreement, or such
   other address as may subsequently, upon appropriate written notice thereof to the
   City, be designated by the Owner. If payment is not made within such further time
   as the City in its sole discretion permits, but not less than thirty (30) days, the City
   may declare a default under this Agreement effective on the date of such declaration
   of default and notice thereof to the Owner, and upon such default the City may:
a. Declare the unforgiven portion of the Loan immediately due and payable; and/or
b. Exercise such other rights or remedies as may be available to the City hereunder, at law
or in equity.

The City’s remedies are cumulative and the exercise of one shall not be deemed an
election of remedies, nor foreclose the exercise of the City’s other remedies.

4. Amendment. This Agreement shall not be altered or amended except in a writing signed by
the parties hereto.

5. Partial Invalidity. The invalidity of any clause, part or provision of this Agreement shall not
affect the validity of the remaining portions thereof.

6. Gender. The use of the plural in this Agreement shall include the singular; the
singular shall include the plural; and the use of any gender shall be deemed to
include all genders.

7. Captions. The captions used in this Agreement are inserted only as a matter of
convenience and for reference and in not way define, limit or describe the scope of
the intent of the Agreement.

8. WAIVER OF JURY TRIAL. THE PARTIES WAIVE TRIAL BY JURY IN ANY
ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE
PARTIES HERETO AGAINST THE OTHER ON ANY MATTER WHATSOEVER
ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE LOAN OR THIS
AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on
the day and year above first written.

OWNER(s);

______________________________   ________________________________
Peter Glanzmann            Sandra Glanzmann

State of Illinois          )
) Ss
County of DeKalb          )

I, Jamie Smirz, a Notary Public in and for the County of DeKalb, in the State of
Illinois, do hereby certify that the person(s) listed above, 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, 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 10 day of October, 2013.

______________________________
Notary Public

Planning/2010/CDBG10/Jamie/Recapture Agreement
MORTGAGE

THIS MORTGAGE is made on the same date herewith. The mortgagor is Nicolas Vargas ("Borrower"). This Security Instrument is given to the CITY OF DEKALB, Illinois, a municipal corporation, and whose address is 200 South Fourth Street, DeKalb, Illinois ("Lender"). Borrower owes Lender the principal sum of Five Thousand and 00/100 Dollars ($5,000.00) which will otherwise be considered a grant from the Lender to the Borrower if Borrower complies with all the conditions contained in Borrower's Note dated the same date as this Security Instrument ("Note") and with all the conditions stated in Borrower's application for financial assistance under the City of DeKalb Private Property Rehabilitation Program. If Borrower complies with said Note this mortgage shall be released on the 28th day of July, 2019.

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

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

LOT 5 IN BLOCK 25 IN GILSON'S ADDITION TO THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, DEKALB COUNTY, ILLINOIS.

Commonly known as: 1116 E. Locust Street, DeKalb, Illinois 60115
PIN: 08-23-407-003

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

It is expressly understood by the Borrower, who is the maker of the Note and who is the applicant under the City of DeKalb Private Property Rehabilitation Program, that upon compliance by the Borrower with the terms and conditions of the Note and upon payment in full of said Note (if required under conditions in the Note), the Note together with this Mortgage shall be released.
If all or part of the property or any interest is sold or transferred without the City of DeKalb's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage.

If the Lender exercises this option, the Lender shall give the Borrower notice of such action. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums before the expiration of this period, the Lender will invoke all remedies permitted by this Mortgage without further notice or demand on Borrower.

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

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

In witness whereof, the Borrower has executed this Mortgage on the ___ day of __________________________.

__________________________
Nicolas Vargas

STATE OF ILLINOIS  )
COUNTY OF DEKALB  ) SS

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

Given under my hand and notary seal, given this ___ day of __________________________.

__________________________
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 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 28th day of July, 2014. 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 5 IN BLOCK 25 OF GILSON'S ADDITION TO THE ORIGINAL VILLAGE (NOW CITY) OF DEKALB, DEKALB COUNTY, ILLINOIS.

Commonly known as: 1116 E. Locust Street DeKalb, Illinois 60115
PIN: 08-23-407-003

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.

Nicolas Vargas
8-06-14
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 Nicolas Vargas, 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 10 day of August, 2014.

Jamie L. Smirz
Notary Public

"OFFICIAL SEAL"
JAMIE L. SMIRZ
Notary Public, State of Illinois
My Commission Expires 1/29/15
City of DeKalb
Owner-Occupied Housing Rehabilitation Program
Declaration of Understanding

I/We, the undersigned owner ("Owner"), __Nicolas Vargas__, have applied for a grant from the City of DeKalb, Illinois ("City"), for assistance through the Private Property Rehabilitation Program for property commonly known as __1116 E. Locust Street__. The property is legally described as:

Lot 5 in Block 25 in Gilson’s Addition to the Original Village (now City) of DeKalb, DeKalb County, Illinois.

PIN: 08-23-407-003

I/We understand the guidelines for this program and have been informed of the following conditions, which apply:

The City shall:

1. Inspect the property to determine eligible repairs.
2. Provide a list of repairs needed to meet minimum code standards.
3. Consult with the Owner regarding all bids.
4. Require that all applicable permits be obtained. However, fees for said permits shall be waived.
5. Pay contractor directly for work, after it has been inspected and approved by City staff.

The Owner shall:

1. Abide by all program requirements and policies.
2. Supply all documentation required for verification of income, insurance, property ownership and any other information, which shall be required.
3. Allow inspection of the property by City staff before, during and after any work has begun.
4. Receive verification in writing from City staff prior to causing changes in any eligible work.
5. Receive no grant assistance for work, which was performed prior to signing this or any other agreement with the City.
6. Sign a promissory note and mortgage for the actual amount of all work completed through the program. (Actual amount not to exceed $5,000)
7. Not be eligible for further assistance through the Owner-Occupied Rehabilitation Program for a period of five years after the completion of the current project.

The Owner further acknowledges that City staff has provided written program guidelines, and discussed and explained the following information:

1. Lead-based paint and EPA regulations
2. Recapture Agreement
3. Total grant amount allowed
4. Mortgage and Promissory Note
5. Recording requirements
6. Title/lien search
7. State Historic Preservation requirements
8. Inspection procedures
9. Bidding process
10. Pay-out process
11. Close-out process
12. Time-lines for project

Owner further understands that upon completion of rehab work to their home, failure to sign the Mortgage and Promissory Note will result in the grant being converted to a loan and a lien immediately being placed on their property for all project expenses.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the _6_ day of _September_ 2011_.

OWNER(S):

Nicolas Vargas

STATE OF ILLINOIS  )
COUNTY OF DEKALB  ) SS

I, Jamie Smirz, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that the above named persons, 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/they signed, sealed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set-forth.

Given under my hand and notary seal, given this _6_ day of _September_ 2011_.

Notary Public

"OFFICIAL SEAL"
JAMIE L. SMIRZ
Notary Public, State of Illinois
My Commission Expires 10/26/16
REHABILITATION PROGRAM AGREEMENT

THIS PRIVATE PROPERTY REHABILITATION AGREEMENT (the “Agreement”), made this ___ day of September, 2011 by and between Nicolas Vargas, (the “Owner”), who reside(s) at 1116 E. Locust Street (the “Property”), and City of DeKalb, a unit of local government (the “City”), having its principal offices at 200 South Fourth Street, DeKalb, Illinois.

WITNESSETH

WHEREAS, the City has applied for and received funds from the United States Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, Public Law 93-383; and

WHEREAS, the City wishes to provide forgivable loans (individually, a “Loan”) to eligible property owners for the rehabilitation of eligible single-family residences (individually, a “Residence”) under the City’s Private Property Rehabilitation Program (the “Rehabilitation Program”). Such program shall include activities eligible under the Community Development Block Grant (CDBG) Program; and

WHEREAS, the Owner is the owner of record of the Residence and has applied to the City for a Loan for the rehabilitation of the Residence (the “Project”); and

WHEREAS, it is a condition of the making of the Loan that the Owner enter into and be bound by this Agreement.

In consideration of the recitals set forth above and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. **RECITALS.** The foregoing recitals are made part of this Agreement.

2. **GENERAL CONDITIONS.** This Agreement and the Loan shall be subject to the terms and conditions as set forth in the CDBG regulations and the local program guidelines.

3. **OWNER REPRESENTATIONS AND WARRANTIES.** The Owner represents and warrants to the City as follows:

   a. The Owner’s Household has a gross annual income, as adjusted for family size, that is less than or equal to 80 percent of the median income for the metropolitan statistical area in which the Residence is located, as determined by the United States Department of Housing and Urban Development.
   
   b. The Owner holds fee simple title to, or has a 99-year leasehold interest in, or has ownership or membership in a cooperative corporation owning, or has entered a contract for deed covering, the Residence.
   
   c. The Residence is the principal residence of the Owner.
d. Loan proceeds shall be used to pay only Eligible Costs (as that term is defined in the
program guidelines) of the Project.

4. TERMS AND CONDITIONS OF THE LOAN. The Loan shall be subject to the following
terms and conditions:

a. **Amount, Interest, Term and Security.** The Loan shall be in an amount not to exceed Five
Thousand Dollars ($5,000.00), shall bear no interest, shall be for a term of five (5) years
and shall be governed by the Recapture Agreement, as provided hereof.

b. **Use.** The proceeds of the Loan shall be used to rehabilitate the Residence, as more fully
described herein.

c. **Recapture Agreement.** The owner shall enter into a recapture agreement with the City in
the form attached hereto as Exhibit A, pursuant to which the Owner agrees, among other
things, to repay to the City a pro-rated portion of the Loan if a sale, conveyance or transfer
of the Residence, other than a transfer by will or by operation of law upon the death of a
joint tenant Owner or such other transfer as may be approved by the City, in its sole
discretion, occurs within the applicable Recapture Period for the Loan. The Recapture
Period shall be for five (5) years from the date of the completion of the project, and the
amount of the repayment shall be in the amount of the loan reduced by one-sixtieth (1/60th)
for each full month of occupancy of the Residence by the Owner from the date of the
Recapture Agreement.

d. **Loan Documents.** Upon City approval of the Project, the Owner shall deliver to the City
the following documents and such other documents as the City may require, in its sole
discretion, all executed in the manner indicated therein, and in form and substance
acceptable to the City (collectively, including this Agreement and Loan Documents):

   i. The Declaration of Understanding between the Owner and City attached hereto as
      Exhibit B;

   ii. The Mortgage and Promissory Note in the amount of the Loan in favor of the City
       in the form attached hereto as Exhibit C, (the “Note”);

   iii. The Recapture Agreement between the Owner and City be recorded in the county in
       which the Residence is located, attached hereto as Exhibit A;

   iv. Any and all other documents and showings requested by the City.

e. **Payment.** Upon completion of the rehabilitation of the Residence and funds are needed for
payment of Eligible Costs, the contractor shall submit to the City a request for payment. No
more than ten (10) business days after the City receives the request for payment, the City
shall inspect the Residence and approve or reject the contractor’s request for payment. If
the City approves the request, the disbursement shall be made directly to the contractor and
any subcontractor who worked on the Project. The City shall not make a disbursement until
the work is satisfactorily completed, inspection has been completed and it has received lien
waivers for all work from all such contractors and subcontractors. If the work does not pass
inspection and the City rejects the contractor’s request for payment; it shall give its reasons
for such rejection in writing to the Owner and contractor.

5. REHABILITATION PROGRAM REQUIREMENTS.

a. **Government Approvals.** The Owner shall obtain all Federal, State and local government
approvals require by law for the Project.

b. **Project Standards.** The Owner shall cause the Project to comply with all local codes,
ordinances, zoning ordinances, rehabilitation standards and the housing quality standards
set forth in the Rules.
c. **Scope of Work.** The City and Owner agree that the only rehabilitation to be done in connection with the Project, subject to written change orders ("Change Orders"), listed in the "Scope of Work".

The Scope of Work shall be done by the Owner and City prior to work being done. All Change Orders must be in writing and approved by the City and the Owner before deletions, modifications or additions can be made to the Scope of Work. The City shall authorize only those Change Orders necessary for the correction of building code violations identified during the course of the Project or for changes necessary to complete the Project in a workmanlike manner. **THE OWNER UNDERSTANDS AND AGREES THAT IF IT REQUESTS A CONTRACTOR TO PERFORM WORK NOT LISTED IN THE SCOPE OF WORK OR ON ANY APPROVED CHANGE ORDERS, THE OWNER IS SOLELY RESPONSIBLE FOR THE PAYMENT FOR SUCH ADDITIONAL WORK.**

d. **Inspection.** The City shall have the right to inspect the Residence during the course of the Project.

e. **Construction Contracts.** The City shall not be responsible for (i) construction means, methods, techniques, or sequences of construction, (ii) procedures for safety precautions in connection with the Project, (iii) the contractor’s work, or (iv) the contractor’s failure to carry out the Project in accordance with their Construction Contract. The City shall be the interpreter of the requirements of the Construction Contract and shall make decisions on all claims and disputes in connection with the Project between the Owner and the contractor, which shall be final and binding on all parties thereto. The Owner shall not terminate a Construction Contract without prior written approval of the City.

f. **Insurance.** If the Owner receives insurance proceeds for any damage or destruction to the Residence occurring during the course of the Project, the Owner shall apply such proceeds to the repair of such damage or destruction, if practicable.

g. **Cooperation.** The Owner understands and agrees that the Owner shall cooperate at all times with the City and the Owner’s contractor(s) and will do all acts necessary to facilitate the Project.

6. **CONFLICTS.** The Owner shall incorporate into all Construction Contracts Language prohibiting any member, officer, employee, representative or agent of the City, or member of the immediate family of such individuals, from having an interest in this Agreement, any Construction Contract or any other contract or subcontract, or the proceeds of any such Construction Contract or other contract or subcontract, entered into in connection with this Agreement.

7. **RECORDS.** At the request of the City, the Owner shall furnish such reports, records and information in connection with the Project required by the City, and shall give specific answers to questions from the City from time to time relative to the Owner’s income, assets, liabilities, or contracts, all relating to the Project, and the maintenance, occupancy, and physical condition of the Residence.

8. **INDEMNIFICATION.**

a. The Owner shall indemnify the City and the City’s officers, agents, employees or servants against, and hold them harmless from, liabilities, claims, damages, losses and expenses, including, but not limited to, legal defense costs, attorneys’ fees, settlement or judgments, whether by direct suit or from third parties, arising out of the Owner’s performance under this Agreement or the work performed by a contractor in connection with the Project, in any claim or suit brought by a person or third party against the Sponsor, the Authority of the Sponsor’s, or the Authority’s respective officers, agents, employees or servants.
b. If a claim or suit is brought against the City or the City's officers, agents, employees or servants, for which the Owner is responsible pursuant to subparagraph (a) of this Paragraph 8, the Owner shall defend, at the Owner's cost and expense, any suit or claim, and shall pay any resulting claims, judgments, damages, losses, costs, expenses or settlements against the City or the City's officers, agents, employees or servants.

9. **VIOLATION OF AGREEMENT.** Upon violation of any of the provisions of this Agreement by the Owner, the City shall give written notice thereof to the Owner, as provided in Paragraph 11 hereof. If such violation is not corrected to the satisfaction of the City within thirty (30) days after the date such notice is given, or within such further time as the City in its sole discretion permits (but if such violation is of a nature that it cannot be cured within such thirty (30) day period, then so long as the Owner commences to cure within such thirty (30) day period and diligently pursues such cure to completion within a reasonable period not to exceed one hundred twenty (120) days from the date of such notice, it shall not be considered a violation), the City may declare a default under this Agreement, effective on the date of such declaration of default and notice thereof to the Owner, and upon such default the City may:

a. Terminate this Agreement;
b. Exercise any rights it may have under the Loan Documents; and
c. Exercise such other rights or remedies as may be available to the City, at law or in equity.

The City's remedies are cumulative, and the exercise of one remedy shall not be deemed an election of remedies, nor foreclose the exercise of any other remedy by the City. No waiver or any breach of this Agreement by the City shall be deemed to be a waiver of any other breach or a subsequent breach. If the City fails to exercise, or delays in exercising, any right under this Agreement, such failure or delay shall not be deemed a waiver of such right or any other right.

10. **AMENDMENT.** This Agreement shall not be altered or amended except in a writing signed by the parties hereto.

11. **NOTICES.** Any notice, demand, request or other communication that any party may desire or may be required to give to any other party hereunder shall be given in writing, at the addresses set forth above, by any of the following means: (a) personal service; (b) electronic communication, with confirmation of receipt; (c) overnight courier; or (d) registered or certified United States mail, postage prepaid, return receipt requested.

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to either subsection (a) or (b) hereof shall be served and effective upon such personal service or upon dispatch by such electronic means. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective upon deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (d) shall be served and effective by three (3) business days after proper deposit with the United States Postal Service.

12. **SUCCESSORS.** This Agreement shall bind, and the benefits shall inure to, the parties hereto, their legal representatives, successors in office or interest and assigns, provided that the Owner may not assign this Agreement, its rights to the Loan proceeds or any of its obligations hereunder without the prior written approval of the City.

13. **SURVIVAL OF OBLIGATION.** The Owner's obligations, as set forth in this Agreement, shall survive the disbursement of the Loan, and the Owner shall continue to cooperate with the Sponsor and furnish any documents, exhibits or showings required.
14. **CONSTRUCTION AGREEMENT:**

   a. **Partial Invalidity.** If any term, covenant, condition or provision of this Agreement, or the application thereof to any circumstance, shall, at any time or to any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement, or the application thereof to circumstances other than those as to which it is held invalid unenforceable, shall not be affected thereby and each term, covenant, condition, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

   b. **Gender.** The use of the plural in this Agreement shall include the singular, the singular shall include the plural, and the use of any gender shall be deemed to include all genders.

   c. **Captions.** The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of any provision of the Agreement.

   d. **Construction.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Illinois.

15. **COUNTERPARTS.** This Agreement may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Agreement must be produced or exhibited, be the Agreement, but all such counterparts shall constitute one and the same agreement.

16. **WAIVER OF JURY TRIAL. THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE REHABILITATION PROGRAM OR THIS AGREEMENT.**

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written.

OWNER(s):

[Signature]
Nicolas Vargas

STATE OF ILLINOIS )
COUNTY OF DEKALB )

I, Jamie Smirz, a Notary Public in and for the County of DeKalb, in the State of Illinois, do hereby certify that the person(s) listed above, 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 _6_ day of _September_ , 2011.

[Signature]
Notary Public.
Attachments:

EXHIBIT A - Recapture Agreement
EXHIBIT B - Declaration of Understanding
EXHIBIT C - Mortgage and Promissory Note
RECAPTURE AGREEMENT
(EXHIBIT A)

THIS RECAPTURE AGREEMENT (the “Agreement”), dated as of the __ day of __________, 2011, is by and between Nicolas Vargas, whose address is 1116 E. Locust Street, DeKalb, Illinois, 60115 (the “Owner”), and the City of DeKalb, a unit of local government, having its principal office at 200 South Fourth Street, DeKalb, Illinois, 60115 (the “City”).

WITNESSETH

WHEREAS, the Owner is the holder of legal title to certain real estate on which a single family residence (the “Residence”) is located, commonly known as 1116 E. Locust Street, DeKalb, Illinois (the “Property”). The real estate is legally described in Exhibit B and C attached hereto and by this reference made a part hereof; and

WHEREAS, the Sponsor has agreed to make a forgivable loan to the Owner, as evidenced by that certain note (the “Loan”) to be used with such other monies as the Owner may provide, if any, to rehabilitate the Property; and

WHEREAS, as an inducement to the City to make the Loan, the Owner has agreed to enter into this Agreement in accordance with the terms, conditions and covenants set forth below.

NOW, THEREFORE, the parties hereto covenant and agree as follows:

1. Incorporation. The foregoing recitals are made a part of this Agreement as fully and with the same force and effect as repeated herein at length.

2. Restrictions. As a condition of the provision of the Loan, the Owner agrees to repay to the City a pro-rated portion of the Loan if a sale, conveyance or transfer of the Property of than a transfer by will or by operation of law upon the death of a joint tenant Owner or such other transfer as may be approved by the City, in their sole discretion, occurs within the applicable “Recapture Period” for the Loan. The Recapture Period shall be for five (5) years of the date of completion and the amount of the repayment shall be the amount of the Loan reduced by one-sixtieth (1/60th) for each full month after completion of rehabilitation.

3. Violation of Agreement by Owner. Upon the Owner’s failure to make any payment due under this Agreement, the City shall give a written notice thereof to the Owner by registered or certified mail addressed to the address stated in this Agreement, or such other address as may subsequently, upon appropriate written notice thereof to the City, be designated by the Owner. If payment is not made within such further time as the City in its sole discretion permits, but not less than thirty (30) days, the City may declare a default under this Agreement effective on the date of such declaration of default and notice thereof to the Owner, and upon such default the City may:
a. Declare the unforgiven portion of the Loan immediately due and payable; and/or
b. Exercise such other rights or remedies as may be available to the City hereunder, at law
   or in equity.

The City's remedies are cumulative and the exercise of one shall not be deemed an
election of remedies, nor foreclose the exercise of the City's other remedies.

4. **Amendment.** This Agreement shall not be altered or amended except in a writing signed by
   the parties hereto.

5. **Partial Invalidity.** The invalidity of any clause, part or provision of this Agreement shall not
   affect the validity of the remaining portions thereof.

6. **Gender.** The use of the plural in this Agreement shall include the singular; the
   singular shall include the plural; and the use of any gender shall be deemed to
   include all genders.

7. **Captions.** The captions used in this Agreement are inserted only as a matter of
   convenience and for reference and in no way define, limit or describe the scope of
   the intent of the Agreement.

8. **WAIVER OF JURY TRIAL.** THE PARTIES WAIVE TRIAL BY JURY IN ANY
   ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE
   PARTIES HERETO AGAINST THE OTHER ON ANY MATTER WHATSOEVER
   ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE LOAN OR THIS
   AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on
the day and year above first written.

OWNER(s);

Nicolas Vargas

State of Illinois             SS
County of DeKalb

I, Jamie Smirz, a Notary Public in and for the County of DeKalb, in the State of
Illinois, do hereby certify that the person(s) listed above, 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, 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 _6_ day of _September_, 2011.

Jamie L. Smirz
Notary Public

Planning/2010/CDBG10/Jamie/Recapture Agreement
MORTGAGE

THIS MORTGAGE is made on the same date herewith. The mortgagor is John A. Feyerharm ("Borrower"). This Security Instrument is given to the CITY OF DEKALB, Illinois, a municipal corporation, and whose address is 200 South Fourth Street, DeKalb, Illinois ("Lender"). Borrower owes Lender the principal sum of Eight Thousand Three Hundred Thirty-five and 00/100 Dollars ($8,335.00) which will otherwise be considered a grant from the Lender to the Borrower if Borrower complies with all the conditions contained in Borrower's Note dated the same date as this Security Instrument ("Note") and with all the conditions stated in Borrower's application for financial assistance under the City of DeKalb Private Property Rehabilitation Program. If Borrower complies with said Note this mortgage shall be released on the 17th day of March, 2019.

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

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

LOT 11 IN SARATOGA HEIGHTS SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 8, 1961, AS DOCUMENT NUMBER 309288, IN PLAT BOOK "M", PAGE 5, BEING A RESUBDIVISION OF PARTS OF LOTS "T" AND "U" IN GURLER'S SUBDIVISION IN SECTION 13 AND 14, TOWNSHIP 40 NORTH, RANGE 4, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN DEKALB COUNTY, ILLINOIS.

Commonly known as: 1721 Seaman Avenue, DeKalb, Illinois 60115
PIN: 08-13-352-010

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

It is expressly understood by the Borrower, who is the maker of the Note and who is the applicant under the City of DeKalb Private Property Rehabilitation Program, that upon compliance by the Borrower with the terms and conditions of the Note and upon payment in full of said Note (if required under conditions in the Note), the Note together with this Mortgage shall be released.
If all or part of the property or any interest is sold or transferred without the City of DeKalb's prior written consent, the Lender may, at its option, require immediate payment in full of all sums secured by this Mortgage.

If the Lender exercises this option, the Lender shall give the Borrower notice of such action. The notice shall provide a period of not less than 30 days from the date the notice is delivered or mailed within which the Borrower must pay all sums secured by this Mortgage. If Borrower fails to pay these sums before the expiration of this period, the Lender will invoke all remedies permitted by this Mortgage without further notice or demand on Borrower.

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

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

In witness whereof, the Borrower has executed this Mortgage on the ______ day of

[Signature]
John A. Feyerham

STATE OF ILLINOIS
COUNTY OF DEKALB

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

Given under my hand and notary seal, given this ______ day of April, 2014.

[Signature]
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 Eight Thousand Three Hundred Thirty-five and 00/100 Dollars ($8,335.00) 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 17th day of March, 2014. 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 11 IN SARATOGA HEIGHTS SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 8, 1961, AS DOCUMENT NUMBER 309288, IN PLAT BOOK "M", PAGE 5, BEING A RESUBDIVISION OF PARTS OF LOTS "T" AND "U" IN GURLER'S SUBDIVISION IN SECTION 13 AND 14, TOWNSHIP 40 NORTH, RANGE 4, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN DEKALB COUNTY, ILLINOIS.

Commonly known as: 1721 Seaman Avenue, DeKalb, Illinois 60115
PIN: 08-13-352-010

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.

John A. Feyerharm

04-09-14

Date

STATE OF ILLINOIS )

) SS

COUNTY OF DEKALB )

I, Jamie Smirz, a Notary Public in and for the State of Illinois, do hereby certify that John A. Feyerharm, 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 9 day of April, 2014.

Jamie L. Smirz
Notary Public
City of DeKalb
Owner-Occupied Housing Rehabilitation Program
Declaration of Understanding

I/We, the undersigned owner (“Owner”), [Name Redacted], have applied for a grant from the City of DeKalb, Illinois (“City”), for assistance through the Private Property Rehabilitation Program for property commonly known as [1721 Seaman Avenue DeKalb, IL 60115]. The property is legally described as:

LOT 11 IN SARATOGA HEIGHTS SUBDIVISION, ACCORDING TO THE PLAT THEREOF RECORDED DECEMBER 8, 1961, AS DOCUMENT NUMBER 309288, IN PLAT BOOK “M”, PAGE 5, BEING A RESUBDIVISION OF PARTS OF LOTS “T” AND “U” IN GURLER’S SUBDIVISION IN SECTION 13 AND 14, TOWNSHIP 40 NORTH, RANGE 4, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN DEKALB COUNTY, ILLINOIS.

PIN: 08-13-352-010

I/We understand the guidelines for this program and have been informed of the following conditions, which apply:

The City shall:

1. Inspect the property to determine eligible repairs.
2. Provide a list of repairs needed to meet minimum code standards.
3. Consult with the Owner regarding all bids.
4. Require that all applicable permits be obtained. However, fees for said permits shall be waived.
5. Pay contractor directly for work, after it has been inspected and approved by City staff.

The Owner shall:

1. Abide by all program requirements and policies.
2. Supply all documentation required for verification of income, insurance, property ownership and any other information, which shall be required.
3. Allow inspection of the property by City staff before, during and after any work has begun.
4. Receive verification in writing from City staff prior to causing changes in any eligible work.
5. Receive no grant assistance for work, which was performed prior to signing this or any other agreement with the City.
6. Sign a promissory note and mortgage for the actual amount of all work completed through the program. (Actual amount not to exceed $5,000)
7. Not be eligible for further assistance through the Owner-Occupied Rehabilitation Program for a period of five years after the completion of the current project.
The Owner further acknowledges that City staff has provided written program guidelines, and discussed and explained the following information:

1. Lead-based paint and EPA regulations
2. Recapture Agreement
3. Total grant amount allowed
4. Mortgage and Promissory Note
5. Recording requirements
6. Title/lien search
7. State Historic Preservation requirements
8. Inspection procedures
9. Bidding process
10. Pay-out process
11. Close-out process
12. Time-lines for project

Owner further understands that upon completion of rehab work to their home, failure to sign the Mortgage and Promissory Note will result in the grant being converted to a loan and a lien immediately being placed on their property for all project expenses.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the 14th day of January, 2014.

OWNER(S):

John A. Feyerharm

STATE OF ILLINOIS )
COUNTY OF DEKALB )

I, Jamie L. Smirz, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that the above named persons, 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/they signed, sealed and delivered the said instrument as his/her/their free and voluntary act, for the uses and purposes therein set-forth.

Given under my hand and notary seal, given this 14th day of January, 2014.

Notary Public

OFFICIAL SEAL
JAMIE L. SMIRZ
Notary Public, State of Illinois
My Commission Expires 1/28/15
REHABILITATION PROGRAM AGREEMENT

THIS PRIVATE PROPERTY REHABILITATION AGREEMENT (the “Agreement”), made this 14th day of January, 2019, by and between John A. Feyerharn, (the “Owner”), who reside(s) at 1721 Seaman Avenue, DeKalb, IL 60115 (the “Property”), and City of DeKalb, a unit of local government (the “City”), having its principal offices at 200 South Fourth Street, DeKalb, Illinois.

WITNESSETH

WHEREAS, the City has applied for and received funds from the United States Department of Housing and Urban Development (HUD) under Title I of the Housing and Community Development Act of 1974, Public Law 93-383; and

WHEREAS, the City wishes to provide forgivable loans (individually, a “Loan”) to eligible property owners for the rehabilitation of eligible single-family residences (individually, a “Residence”) under the City’s Private Property Rehabilitation Program (the “Rehabilitation Program”). Such program shall include activities eligible under the Community Development Block Grant (CDBG) Program; and

WHEREAS, the Owner is the owner of record of the Residence and has applied to the City for a Loan for the rehabilitation of the Residence (the “Project”); and

WHEREAS, it is a condition of the making of the Loan that the Owner enter into and be bound by this Agreement.

In consideration of the recitals set forth above and other good and valuable consideration, the receipt of which is hereby acknowledged, the parties agree as follows:

1. **RECITALS.** The foregoing recitals are made part of this Agreement.

2. **GENERAL CONDITIONS.** This Agreement and the Loan shall be subject to the terms and conditions as set forth in the CDBG regulations and the local program guidelines.

3. **OWNER REPRESENTATIONS AND WARRANTIES.** The Owner represents and warrants to the City as follows:
   a. The Owner’s Household has a gross annual income, as adjusted for family size, that is less than or equal to 80 percent of the median income for the metropolitan statistical area in which the Residence is located, as determined by the United States Department of Housing and Urban Development.
   b. The Owner holds fee simple title to, or has a 99-year leasehold interest in, or has ownership or membership in a cooperative corporation owning, or has entered a contract for deed covering, the Residence.
   c. The Residence is the principal residence of the Owner.
d. Loan proceeds shall be used to pay only Eligible Costs (as that term is defined in the program guidelines) of the Project.

4. TERMS AND CONDITIONS OF THE LOAN. The Loan shall be subject to the following terms and conditions:

a. Amount, Interest, Term and Security. The Loan shall be in an amount not to exceed Five Thousand Dollars ($5,000.00), shall bear no interest, shall be for a term of five (5) years and shall be governed by the Recapture Agreement, as provided hereof.

b. Use. The proceeds of the Loan shall be used to rehabilitate the Residence, as more fully described herein.

c. Recapture Agreement. The owner shall enter into a recapture agreement with the City in the form attached hereto as Exhibit A, pursuant to which the Owner agrees, among other things, to repay to the City a pro-rated portion of the Loan if a sale, conveyance or transfer of the Residence, other than a transfer by will or by operation of law upon the death of a joint tenant Owner or such other transfer as may be approved by the City, in their sole discretion, occurs within the applicable Recapture Period for the Loan. The Recapture Period shall be for five (5) years from the date of the completion of the project, and the amount of the repayment shall be in the amount of the loan reduced by one-sixtieth (1/60th) for each full month of occupancy of the Residence by the Owner from the date of the Recapture Agreement.

d. Loan Documents. Upon City approval of the Project, the Owner shall deliver to the City the following documents and such other documents as the City may require, in its sole discretion, all executed in the manner indicated therein, and in form and substance acceptable to the City (collectively, including this Agreement and Loan Documents):

   i. The Declaration of Understanding between the Owner and City attached hereto as Exhibit B;
   ii. The Mortgage and Promissory Note in the amount of the Loan in favor of the City in the form attached hereto as Exhibit C, (the “Note”);
   iii. The Recapture Agreement between the Owner and City be recorded in the county in which the Residence is located, attached hereto as Exhibit A;
   iv. Any and all other documents and showings requested by the City.

e. Payment. Upon completion of the rehabilitation of the Residence and funds are needed for payment of Eligible Costs, the contractor shall submit to the City a request for payment. No more than ten (10) business days after the City receives the request for payment, the City shall inspect the Residence and approve or reject the contractor’s request for payment. If the City approves the request, the disbursement shall be made directly to the contractor and any subcontractor who worked on the Project. The City shall not make a disbursement until the work is satisfactorily completed, inspection has been completed and it has received lien waivers for all work from all such contractors and subcontractors. If the work does not pass inspection and the City rejects the contractor’s request for payment; it shall give its reasons for such rejection in writing to the Owner and contractor.

5. REHABILITATION PROGRAM REQUIREMENTS.

   a. Government Approvals. The Owner shall obtain all Federal, State and local government approvals require by law for the Project.
   b. Project Standards. The Owner shall cause the Project to comply with all local codes, ordinances, zoning ordinances, rehabilitation standards and the housing quality standards set forth in the Rules.
c. **Scope of Work.** The City and Owner agree that the only rehabilitation to be done in connection with the Project, subject to written change orders ("Change Orders"), listed in the "Scope of Work".

The Scope of Work shall be done by the Owner and City prior to work being done. All Change Orders must be in writing and approved by the City and the Owner before deletions, modifications or additions can be made to the Scope of Work. The City shall authorize only those Change Orders necessary for the correction of building code violations identified during the course of the Project or for changes necessary to complete the Project in a workmanlike manner. THE OWNER UNDERSTANDS AND AGREES THAT IF IT REQUESTS A CONTRACTOR TO PERFORM WORK NOT LISTED IN THE SCOPE OF WORK OR ON ANY APPROVED CHANGE ORDERS, THE OWNER IS SOLELY RESPONSIBLE FOR THE PAYMENT FOR SUCH ADDITIONAL WORK.

d. **Inspection.** The City shall have the right to inspect the Residence during the course of the Project.

e. **Construction Contracts.** The City shall not be responsible for (i) construction means, methods, techniques, or sequences of construction, (ii) procedures for safety precautions in connection with the Project, (iii) the contractor’s work, or (iv) the contractor’s failure to carry out the Project in accordance with their Construction Contract. The City shall be the interpreter of the requirements of the Construction Contract and shall make decisions on all claims and disputes in connection with the Project between the Owner and the contractor, which shall be final and binding on all parties thereto. The Owner shall not terminate a Construction Contract without prior written approval of the City.

f. **Insurance.** If the Owner receives insurance proceeds for any damage or destruction to the Residence occurring during the course of the Project, the Owner shall apply such proceeds to the repair of such damage or destruction, if practicable.

g. **Cooperation.** The Owner understands and agrees that the Owner shall cooperate at all times with the City and the Owner’s contractor(s) and will do all acts necessary to facilitate the Project.

6. **CONFLICTS.** The Owner shall incorporate into all Construction Contracts Language prohibiting any member, officer, employee, representative or agent of the City, or member of the immediate family of such individuals, from having an interest in this Agreement, any Construction Contract or any other contract or subcontract, or the proceeds of any such Construction Contract or other contract or subcontract, entered into in connection with this Agreement.

7. **RECORDS.** At the request of the City, the Owner shall furnish such reports, records and information in connection with the Project required by the City, and shall give specific answers to questions from the City from time to time relative to the Owner’s income, assets, liabilities, or contracts, all relating to the Project, and the maintenance, occupancy, and physical condition of the Residence.

8. **DEMNIFICATION.**

a. The Owner shall indemnify the City and the City’s officers, agents, employees or servants against, and hold them harmless from, liabilities, claims, damages, losses and expenses, including, but not limited to, legal defense costs, attorneys’ fees, settlement or judgments, whether by direct suit or from third parties, arising out of the Owner’s performance under this Agreement or the work performed by a contractor in connection with the Project, in any claim or suit brought by a person or third party against the Sponsor, the Authority of the Sponsor’s, or the Authority’s respective officers, agents, employees or servants.
b. If a claim or suit is brought against the City or the City’s officers, agents, employees or servants, for which the Owner is responsible pursuant to subparagraph (a) of this Paragraph 8, the Owner shall defend, at the Owner’s cost and expense, any suit or claim, and shall pay any resulting claims, judgments, damages, losses, costs, expenses or settlements against the City or the City’s officers, agents, employees or servants.

9. **VIOLATION OF AGREEMENT.** Upon violation of any of the provisions of this Agreement by the Owner, the City shall give written notice thereof to the Owner, as provided in Paragraph 11 hereof. If such violation is not corrected to the satisfaction of the City within thirty (30) days after the date such notice is given, or within such further time as the City in its sole discretion permits (but if such violation is of a nature that it cannot be cured within such thirty (30) day period, then so long as the Owner commences to cure within such thirty (30) day period and diligently pursues such cure to completion within a reasonable period not to exceed one hundred twenty (120) days from the date of such notice, it shall not be considered a violation), the City may declare a default under this Agreement, effective on the date of such declaration of default and notice thereof to the Owner, and upon such default the City may:

a. Terminate this Agreement;

b. Exercise any rights it may have under the Loan Documents; and

c. Exercise such other rights or remedies as may be available to the City, at law or in equity.

The City’s remedies are cumulative, and the exercise of one remedy shall not be deemed an election of remedies, nor foreclose the exercise of any other remedy by the City. No waiver or any breach of this Agreement by the City shall be deemed to be a waiver of any other breach or a subsequent breach. If the City fails to exercise, or delays in exercising, any right under this Agreement, such failure or delay shall not be deemed a waiver of such right or any other right.

10. **AMENDMENT.** This Agreement shall not be altered or amended except in a writing signed by the parties hereto.

11. **NOTICES.** Any notice, demand, request or other communication that any party may desire or may be required to give to any other party hereunder shall be given in writing, at the addresses set forth above, by any of the following means: (a) personal service; (b) electronic communication, with confirmation of receipt; (c) overnight courier; or (d) registered or certified United States mail, postage prepaid, return receipt requested.

Such addresses may be changed by notice to the other party given in the same manner as herein provided. Any notice, demand, request or other communication sent pursuant to either subsection (a) or (b) hereof shall be served and effective upon such personal service or upon dispatch by such electronic means. Any notice, demand, request or other communication sent pursuant to subsection (c) shall be served and effective upon deposit with the overnight courier. Any notice, demand, request or other communication sent pursuant to subsection (d) shall be served and effective by three (3) business days after proper deposit with the United States Postal Service.

12. **SUCCESSORS.** This Agreement shall bind, and the benefits shall inure to, the parties hereto, their legal representatives, successors in office or interest and assigns, provided that the Owner may not assign this Agreement, its rights to the Loan proceeds or any of its obligations hereunder without the prior written approval of the City.

13. **SURVIVAL OF OBLIGATION.** The Owner’s obligations, as set forth in this Agreement, shall survive the disbursement of the Loan, and the Owner shall continue to cooperate with the Sponsor and furnish any documents, exhibits or showings required.
14. **CONSTRUCTION AGREEMENT:**

a. **Partial Invalidity.** If any term, covenant, condition or provision of this Agreement, or the application thereof to any circumstance, shall, at any time or in any extent, be determined by a court of competent jurisdiction to be invalid or unenforceable, the remainder of the Agreement, or the application thereof to circumstances other than those as to which it is held invalid unenforceable, shall not be affected thereby and each term, covenant, condition, condition and provision of this Agreement shall be valid and enforceable to the fullest extent permitted by law.

b. **Gender.** The use of the plural in this Agreement shall include the singular, the singular shall include the plural, and the use of any gender shall be deemed to include all genders.

c. **Captions.** The captions used in this Agreement are inserted only as a matter of convenience and for reference and in no way define, limit or describe the scope or the intent of any provision of the Agreement.

d. **Construction.** This Agreement shall be construed and interpreted in accordance with the laws of the State of Illinois.

15. **COUNTERPARTS.** This Agreement may be executed in counterparts, and each counterpart shall, for all purposes for which an original of this Agreement must be produced or exhibited, be the Agreement, but all such counterparts shall constitute one and the same agreement.

16. **WAIVER OF JURY TRIAL.** THE PARTIES WAIVE TRIAL BY JURY IN ANY ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE PARTIES HERETO AGAINST THE OTHER ON ANY MATTER WHATSOEVER ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE REHABILITATION PROGRAM OR THIS AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on the date first above written.

OWNER(s):

John A. Feyeharm

STATE OF ILLINOIS )
COUNTY OF DEKALB ) SS

I, Jamie Smirz, a Notary Public in and for the County of DeKalb, in the State of Illinois, do hereby certify that the person(s) listed above, 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 14th day of [Date].

Notary Public

[Notary Seal]

Planning/2010/CDBG10/Jamie/Rehabilitation Program Agreement
Attachments:

EXHIBIT A - Recapture Agreement

EXHIBIT B - Declaration of Understanding

EXHIBIT C - Mortgage and Promissory Note
RECAPTURE AGREEMENT
(EXHIBIT A)

THIS RECAPTURE AGREEMENT (the “Agreement”), dated as of the 14th day of January, 2019, is by and between John A. Feverharm, whose address is 1721 Seaman Avenue, DeKalb, Illinois, 60115 (the “Owner”), and the City of DeKalb, a unit of local government, having its principal office at 200 South Fourth Street, DeKalb, Illinois, 60115 (the “City”).

WITNESSETH

WHEREAS, the Owner is the holder of legal title to certain real estate on which a single family residence (the “Residence”) is located, commonly known as 1721 Seaman Avenue, DeKalb, Illinois (the “Property”). The real estate is legally described in Exhibit B and C attached hereto and by this reference made a part hereof; and

WHEREAS, the Sponsor has agreed to make a forgivable loan to the Owner, as evidenced by that certain note (the “Loan”) to be used with such other monies as the Owner may provide, if any, to rehabilitate the Property; and

WHEREAS, as an inducement to the City to make the Loan, the Owner has agreed to enter into this Agreement in accordance with the terms, conditions and covenants set forth below.

NOW, THEREFORE, the parties hereto covenant and agree as follows:

1. Incorporation. The foregoing recitals are made a part of this Agreement as fully and with the same force and effect as repeated herein at length.
2. Restrictions. As a condition of the provision of the Loan, the Owner agrees to repay to the City a pro-rated portion of the Loan if a sale, conveyance or transfer of the Property or a transfer by will or by operation of law upon the death of a joint tenant Owner or such other transfer as may be approved by the City, in their sole discretion, occurs within the applicable “Recapture Period” for the Loan. The Recapture Period shall be for five (5) years of the date of completion and the amount of the repayment shall be the amount of the Loan reduced by one-sixtieth (1/60th) for each full month after completion of rehabilitation.
3. Violation of Agreement by Owner. Upon the Owner’s failure to make any payment due under this Agreement, the City shall give a written notice thereof to the Owner by registered or certified mail addressed to the address stated in this Agreement, or such other address as may subsequently, upon appropriate written notice thereof to the City, be designated by the Owner. If payment is not made within such further time as the City in its sole discretion permits, but not less than thirty (30) days, the City may declare a default under this Agreement effective on the date of such declaration of default and notice thereof to the Owner, and upon such default the City may:
a. Declare the unforgiven portion of the Loan immediately due and payable; and/or  
b. Exercise such other rights or remedies as may be available to the City hereunder, at law  
or in equity.

The City’s remedies are cumulative and the exercise of one shall not be deemed an  
election of remedies, nor foreclose the exercise of the City’s other remedies.

4. Amendment. This Agreement shall not be altered or amended except in a writing signed by  
the parties hereto.

5. Partial Invalidity. The invalidity of any clause, part or provision of this Agreement shall not  
affect the validity of the remaining portions thereof.

6. Gender. The use of the plural in this Agreement shall include the singular; the  
singular shall include the plural; and the use of any gender shall be deemed to  
include all genders.

7. Captions. The captions used in this Agreement are inserted only as a matter of  
convenience and for reference and in not way define, limit or describe the scope of  
the intent of the Agreement.

8. WAIVER OF JURY TRIAL. THE PARTIES WAIVE TRIAL BY JURY IN ANY  
ACTION, PROCEEDING OR COUNTERCLAIM BROUGHT BY EITHER OF THE  
PARTIES HERETO AGAINST THE OTHER ON ANY MATTER WHATSOEVER  
ARISING OUT OF OR IN ANY WAY CONNECTED WITH THE LOAN OR THIS  
AGREEMENT.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on  
the day and year above first written.

OWNER(s);

John A. Feyerham

State of Illinois )
 ) SS
County of DeKalb )

I, Jamie Smirz, a Notary Public in and for the County of DeKalb, in the State of  
Illinois, do hereby certify that the person(s) listed above, 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, 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 14th day of December, 2019.

Notary Public

Planning/2010/CDBG10/Jamie/Recapture Agreement
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.

Jennifer M. Diedrich, Economic Development Coordinator

Reviewed and approved by the JRB at their annual meeting December 19, 2013.
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<th>Date of Agrmt</th>
<th>Agreement Name</th>
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<td>Intergovernmental agreement on the extention of the central area tax increment financing redevelopment plan and project.</td>
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<td>9/27/2007</td>
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<td>Intergovernmental agreement regarding the distribution of tax increment financing proceeds through July, 2010</td>
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CITY OF DEKALB, ILLINOIS

REPORT ON COMPLIANCE WITH PUBLIC ACT 85-1142

FOR THE FISCAL YEAR ENDED JUNE 30, 2014
CITY OF DEKALB, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS REDEVELOPMENT FUNDS

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</tr>
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</table>
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

November 19, 2014

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, 2014, which collectively comprise the City of DeKalb, Illinois’s basic financial statements, and have issued our report thereon dated November 19, 2014.

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.
INDEPENDENT AUDITOR'S REPORT
ON SUPPLEMENTARY INFORMATION

November 19, 2014

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, 2014, which collectively comprise the City of DeKalb, Illinois’s basic financial statements, and have issued our report thereon dated November 19, 2014. 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

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 Fiscal Year Ended June 30, 2014

<table>
<thead>
<tr>
<th>Special Revenue</th>
<th>Debt Service</th>
<th>Totals</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tax Increment Financing #1</td>
<td>Tax Increment Financing #2</td>
</tr>
<tr>
<td>Revenues</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Taxes</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>$ 6,604,296</td>
<td>1,619,592</td>
</tr>
<tr>
<td>Interest</td>
<td>69,495</td>
<td>-</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>6,673,791</td>
<td>1,619,592</td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual Services</td>
<td>138,024</td>
<td>310,889</td>
</tr>
<tr>
<td>Permanent Improvements</td>
<td>5,338,678</td>
<td>720,212</td>
</tr>
<tr>
<td>Debt Service</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Principal Retirement</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Interest and Fiscal Charges</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Total Expenditures</td>
<td>5,476,702</td>
<td>1,031,101</td>
</tr>
<tr>
<td>Excess (Deficiency) of Revenues Over (Under) Expenditures</td>
<td>1,197,089</td>
<td>588,491</td>
</tr>
<tr>
<td>Other Financing Sources (Uses)</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transfers In</td>
<td>-</td>
<td>-</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>(2,154,156)</td>
<td>(150,931)</td>
</tr>
<tr>
<td>Net Change in Fund Balance</td>
<td>(957,067)</td>
<td>437,560</td>
</tr>
<tr>
<td>Fund Balance - Beginning</td>
<td>3,349,486</td>
<td>6,672,420</td>
</tr>
<tr>
<td>Fund Balance - Ending</td>
<td>2,392,419</td>
<td>7,109,980</td>
</tr>
</tbody>
</table>
CITY OF DEKALB, ILLINOIS  
TAX INCREMENT FINANCING #1 FUND  

Schedule of Fund Balance by Source  
For the Fiscal Year Ended June 30, 2014

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance - July 1, 2013</td>
<td>$3,349,486</td>
</tr>
<tr>
<td>Deposits</td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>6,604,296</td>
</tr>
<tr>
<td>Investment Income</td>
<td>69,495</td>
</tr>
<tr>
<td>Total Deposits</td>
<td>6,673,791</td>
</tr>
<tr>
<td>Balance Plus Deposits</td>
<td>10,023,277</td>
</tr>
<tr>
<td>Expenditures and Transfers</td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>5,476,702</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>2,154,156</td>
</tr>
<tr>
<td>Total Expenditures and Transfers</td>
<td>7,630,858</td>
</tr>
<tr>
<td>Ending Balance - June 30, 2014</td>
<td>2,392,419</td>
</tr>
<tr>
<td>Ending Balance by Source</td>
<td></td>
</tr>
<tr>
<td>Property Tax</td>
<td>2,392,419</td>
</tr>
<tr>
<td>Subtotal</td>
<td>2,392,419</td>
</tr>
<tr>
<td>Less Surplus Funds</td>
<td>-</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>2,392,419</td>
</tr>
</tbody>
</table>
CITY OF DEKALB, ILLINOIS
TAX INCREMENT FINANCING #2 FUND

Schedule of Fund Balance by Source
For the Fiscal Year Ended June 30, 2014

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance - July 1, 2013</td>
<td>$6,672,420</td>
</tr>
<tr>
<td>Deposits</td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>1,619,592</td>
</tr>
<tr>
<td>Balance Plus Deposits</td>
<td>8,292,012</td>
</tr>
<tr>
<td>Expenditures and Transfers</td>
<td></td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>1,031,101</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>150,931</td>
</tr>
<tr>
<td>Total Expenditures and Transfers</td>
<td>1,182,032</td>
</tr>
<tr>
<td>Ending Balance - June 30, 2014</td>
<td>7,109,980</td>
</tr>
<tr>
<td>Ending Balance by Source</td>
<td></td>
</tr>
<tr>
<td>Property Tax</td>
<td>7,109,980</td>
</tr>
<tr>
<td>Subtotal</td>
<td>7,109,980</td>
</tr>
<tr>
<td>Less Surplus Funds</td>
<td>-</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>7,109,980</td>
</tr>
</tbody>
</table>
CITY OF DEKALB, ILLINOIS
TAX INCREMENT FINANCING DEBT SERVICE FUND

Schedule of Fund Balance by Source
For the Fiscal Year Ended June 30, 2014

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance - July 1, 2013</td>
<td>$ -</td>
</tr>
<tr>
<td>Deposits</td>
<td>1,362,484</td>
</tr>
<tr>
<td>Transfer In</td>
<td></td>
</tr>
<tr>
<td>Balance Plus Deposits</td>
<td>1,362,484</td>
</tr>
<tr>
<td>Expenditures and Transfers</td>
<td></td>
</tr>
<tr>
<td>Debt Service</td>
<td>1,362,484</td>
</tr>
<tr>
<td>Ending Balance - June 30, 2014</td>
<td>$ -</td>
</tr>
<tr>
<td>Ending Balance by Source</td>
<td></td>
</tr>
<tr>
<td>Note Proceeds -Restricted</td>
<td>$ -</td>
</tr>
<tr>
<td>Subtotal</td>
<td>$ -</td>
</tr>
<tr>
<td>Less Surplus Funds</td>
<td>$ -</td>
</tr>
<tr>
<td>Ending Balance</td>
<td>$ -</td>
</tr>
</tbody>
</table>
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Lauterbach & Amen, LLP
CERTIFIED PUBLIC ACCOUNTANTS

LAUTERBACH & AMEN, LLP