Name of Municipality: City of DeKalb
Reporting Fiscal Year: 2015
County: DeKalb
Fiscal Year End: 6/30/2015
Unit Code: 019/015/30

**TIF Administrator Contact Information**

<table>
<thead>
<tr>
<th>First Name: Jennifer</th>
<th>Last Name: Diedrich</th>
</tr>
</thead>
<tbody>
<tr>
<td>Address: 200 South Fourth Street</td>
<td>Title: Economic Development Coordinator</td>
</tr>
<tr>
<td>Telephone: 815.748.2365</td>
<td>City: DeKalb</td>
</tr>
<tr>
<td>Mobile: 815.901.6535</td>
<td>Zip: 60115</td>
</tr>
<tr>
<td>Mobile Provider: Verizon</td>
<td>Best way to contact: Email</td>
</tr>
<tr>
<td></td>
<td>Email: <a href="mailto:jdiedrich@cityofdekalb.com">jdiedrich@cityofdekalb.com</a></td>
</tr>
</tbody>
</table>

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

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

![Signature](image)

Written signature of TIF Administrator

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

<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 Tax Increment Financing District</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.]
### SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

**FY 2015**

<table>
<thead>
<tr>
<th>Name of Redevelopment Project Area: Central Area TIF</th>
</tr>
</thead>
<tbody>
<tr>
<td>Primary Use of Redevelopment Project Area*: Commercial/Mixed Use</td>
</tr>
<tr>
<td>If &quot;Combination/Mixed&quot; List Component Types: Commercial, Residential</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):</th>
</tr>
</thead>
<tbody>
<tr>
<td>Tax Increment Allocation Redevelopment Act <em>x</em>__ Industrial Jobs Recovery Law _____</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Question</th>
<th>Yes</th>
<th>No</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></td>
</tr>
<tr>
<td>If yes, please enclose the amendment labeled Attachment A</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Please enclose the CEO Certification labeled Attachment B</td>
<td></td>
<td>x</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>Please enclose the Legal Counsel Opinion labeled Attachment C</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes, please enclose the Activities Statement labeled Attachment D</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) (7) (C) and 5/11-74.6-22 (d) (7) (C)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes, please enclose the Agreement(s) labeled Attachment E</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) (7) (D) and 5/11-74.6-22 (d) (7) (D)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes, please enclose the Additional Information labeled Attachment F</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G</td>
<td></td>
<td></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) (7) (F) and 5/11-74.6-22 (d) (7) (F)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes, please enclose the Joint Review Board Report labeled Attachment H</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes, please enclose the Official Statement labeled Attachment I</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes, please enclose the Analysis labeled Attachment J</td>
<td></td>
<td>x</td>
</tr>
<tr>
<td>Cumulatively, have deposits from any source 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>If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Cumulatively, have deposits of incremental taxes 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>If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L</td>
<td></td>
<td></td>
</tr>
<tr>
<td>A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a party, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)]</td>
<td></td>
<td></td>
</tr>
<tr>
<td>If yes, please enclose list only of the intergovernmental agreements labeled Attachment M</td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.
### FY 2015

**TIF NAME:** Central Area TIF

**Fund Balance at Beginning of Reporting Period**

<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>$ 6,439,568</td>
<td>$ 94,829,076</td>
<td>59%</td>
</tr>
<tr>
<td>State Sales Tax Increment</td>
<td>$ 15,180,034</td>
<td></td>
<td>9%</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>$ 47,872</td>
<td>$ 1,917,107</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>21%</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: refunds/reimbursements; if multiple other sources, attach schedule)</td>
<td>$ 605</td>
<td>$ 898,154</td>
<td>1%</td>
</tr>
</tbody>
</table>

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period

| Fund During Reporting Period                               | $ 6,488,045    |

Cumulative Total Revenues/Cash Receipts

| $ 160,637,936 | 100% |

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

| $ 3,064,143    |

Distribution of Surplus

| $ 3,219,784    |

Total Expenditures/Disbursements

| $ 6,283,927    |

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS

| $ 204,118      |

**FUND BALANCE, END OF REPORTING PERIOD***

| $ 2,596,537    |

* 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)**

| $ (32,003,519) |
**Category of Permissible Redevelopment Cost** [[65 ILCS 5/11-74.4-3](d)(5)] and [[65 ILCS 5/11-74.6-10](o)]

<table>
<thead>
<tr>
<th>Category of Permissible Redevelopment Cost</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>21,573</td>
</tr>
<tr>
<td>8331 Architectural and engineering services</td>
<td></td>
<td>8366 Legal expenses</td>
</tr>
<tr>
<td>8375 Dues and subscriptions</td>
<td></td>
<td>8376 Training, education, &amp; professional development</td>
</tr>
<tr>
<td>8399 Contractual services - Union Pacific land lease</td>
<td></td>
<td>9001 Transfer to the general fund</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>824,806</td>
</tr>
<tr>
<td>2. Cost of marketing sites—Subsections (q)(1.6) and (o)(1.6)</td>
<td></td>
<td>8373 Marketing, ads, public info</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>6,865</td>
</tr>
<tr>
<td>3. Property assembly: property acquisition, building demolition, site preparation and environmental site improvement costs. Subsections (q)(2), (o)(2) and (o)(3)</td>
<td></td>
<td>8343 Property demolition services</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>3,862</td>
</tr>
<tr>
<td>4. Costs of rehabilitation, reconstruction, repair or remodeling of existing public or private buildings. Subsection (q)(3) and (o)(4)</td>
<td></td>
<td>8624 Private property rehab</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8625 Remodeling and renovation</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8348 Buildings, R&amp;M</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>413,313</td>
</tr>
<tr>
<td>5. Costs of construction of public works and improvements. Subsection (q)(4) and (o)(5)</td>
<td></td>
<td>8321 Sidewalks - R&amp;M</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8627 Parking lot improvements</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8628 Storm water system improvements</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8632 Street improvements - Maintenance</td>
</tr>
<tr>
<td></td>
<td></td>
<td>8633 Street construction or reconstruction</td>
</tr>
<tr>
<td></td>
<td>$</td>
<td>636,617</td>
</tr>
<tr>
<td>6. Costs of removing contaminants required by environmental laws or rules (o)(6) - Industrial Jobs Recovery TIFs ONLY</td>
<td></td>
<td>$</td>
</tr>
<tr>
<td>Section</td>
<td>Description</td>
<td>Cost</td>
</tr>
<tr>
<td>---------</td>
<td>------------------------------------------------------------------------------</td>
<td>--------</td>
</tr>
<tr>
<td>7.</td>
<td>Cost of job training and retraining, including “welfare to work” programs</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Subsection (q)(5), (o)(7) and (o)(12)</td>
<td></td>
</tr>
<tr>
<td>8.</td>
<td>Financing costs related to obligations issued by the municipality. Subsection</td>
<td></td>
</tr>
<tr>
<td></td>
<td>(q)(6) and (o)(8)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>9225 transfers - debt service</td>
<td>1,063,975</td>
</tr>
<tr>
<td>9.</td>
<td>Approved taxing district’s capital costs. Subsection (q)(7) and (o)(9)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>8639 capital improvements</td>
<td>114,705</td>
</tr>
<tr>
<td>10.</td>
<td>Cost of Reimbursing school districts for their increased costs caused by</td>
<td></td>
</tr>
<tr>
<td></td>
<td>TIF assisted housing projects. Subsection (q)(7.5) - Tax Increment Allocation</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Redevelopment TIFs ONLY</td>
<td></td>
</tr>
<tr>
<td>11.</td>
<td>Relocation costs. Subsection (q)(8) and (o)(10)</td>
<td></td>
</tr>
<tr>
<td>12.</td>
<td>Payments in lieu of taxes as defined in Subsections 11-74.43(m) and 11-74.6-10(k)</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Subsection (q)(9) and (o)(11)</td>
<td></td>
</tr>
<tr>
<td>13.</td>
<td>Costs of job training, retraining advanced vocational or career education</td>
<td></td>
</tr>
<tr>
<td></td>
<td>provided by other taxing bodies. Subsection (q)(10) and (o)(12)</td>
<td></td>
</tr>
<tr>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### SECTION 3.2 A

<table>
<thead>
<tr>
<th>Item</th>
<th>Description</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>14.</td>
<td>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>
</tr>
<tr>
<td>15.</td>
<td>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>
</tr>
<tr>
<td>16.</td>
<td>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>
</tr>
</tbody>
</table>

**TOTAL ITEMIZED EXPENDITURES**  
$ 3,064,143
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>BAXTER &amp; WOODMAN, INC.</td>
<td>Contractor</td>
<td>24,272.45</td>
</tr>
<tr>
<td>CITY OF DEKALB</td>
<td>Surplus Distribution</td>
<td>365,063.09</td>
</tr>
<tr>
<td>CURRAN CONTRACTING</td>
<td>Contractor</td>
<td>430,102.65</td>
</tr>
<tr>
<td>DEKALB COUNTY CLERK &amp;</td>
<td>Surplus Distribution</td>
<td>2,437,830.37</td>
</tr>
<tr>
<td>DESIGNLAB CHICAGO</td>
<td>Contractor</td>
<td>36,872.08</td>
</tr>
<tr>
<td>DEPOSITORY TRUST COMPANY</td>
<td>Debt Service</td>
<td>1,063,975.00</td>
</tr>
<tr>
<td>ELLWOOD HOUSE ASSOCIATION</td>
<td>Redevelopment Cost Reimbursement</td>
<td>45,410.83</td>
</tr>
<tr>
<td>ELLIOTT &amp; WOOD, INC.</td>
<td>Contractor</td>
<td>232,483.59</td>
</tr>
<tr>
<td>G'S R PLUMBING &amp; HEATING,INC.</td>
<td>Contractor</td>
<td>14,079.00</td>
</tr>
<tr>
<td>TREASURER, STATE OF ILLINOIS</td>
<td>Surplus Distribution</td>
<td>53,888.14</td>
</tr>
<tr>
<td>ILLINOIS DEPARTMENT OF REVENUE</td>
<td>Surplus Distribution</td>
<td>417,135.54</td>
</tr>
<tr>
<td>IRVING CONSTRUCTION CO INC</td>
<td>Contractor</td>
<td>63,300.00</td>
</tr>
<tr>
<td>PAPPAS GLASGOW DEVELOPMENT</td>
<td>Redevelopment Cost Reimbursement</td>
<td>42,879.73</td>
</tr>
<tr>
<td>PREFORM TRAFFIC CONTROL</td>
<td>Contractor</td>
<td>35,000.00</td>
</tr>
<tr>
<td>SHARP ARCHITECTS INC.</td>
<td>Contractor</td>
<td>102,160.33</td>
</tr>
</tbody>
</table>
### Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period

**FY 2015**  
**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>$ 2,596,537</td>
<td>$ 2,596,537</td>
</tr>
</tbody>
</table>

1. **Description of Debt Obligations**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount of Original Issuance</th>
<th>Amount Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>2010A G.O. Bond</td>
<td>$ 10,800,000</td>
<td>$ 7,879,738</td>
</tr>
</tbody>
</table>

Total Amount Designated for Obligations  

| Total Amount Designated for Obligations | $ 10,800,000 | $ 7,879,738 |

2. **Description of Project Costs to be Paid**

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount of Original Issuance</th>
<th>Amount Designated</th>
</tr>
</thead>
<tbody>
<tr>
<td>Development Agreement Obligations</td>
<td>$</td>
<td>$ 231,000</td>
</tr>
<tr>
<td>Infrastructure Improvements</td>
<td>$</td>
<td>$ 1,014,500</td>
</tr>
<tr>
<td>Intergovernmental Agreement Obligations</td>
<td>$</td>
<td>$ 24,180,819</td>
</tr>
<tr>
<td>Private Property Improvements</td>
<td>$</td>
<td>$ 1,525,000</td>
</tr>
</tbody>
</table>

Total Amount Designated for Project Costs

| Total Amount Designated for Project Costs | $ 26,720,319 |

TOTAL AMOUNT DESIGNATED

| $ 34,600,057 |

SURPLUS*/(DEFICIT)

| $ (32,003,519) |

*NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing
**FY 2015**  
**TIF NAME:** Central Area TIF District  
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 2015

**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**

---

### TOTAL:

<table>
<thead>
<tr>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Investment Undertaken (See Instructions)</strong></td>
<td><strong>Public Investment Undertaken</strong></td>
</tr>
<tr>
<td><strong>11/1/99 to Date</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>$19,505,005</td>
<td>$6,628,956</td>
</tr>
<tr>
<td><strong>Ratio of Private/Public Investment</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>3</td>
<td>3</td>
</tr>
</tbody>
</table>

### Project 1:

**FY15 Ellwood Association - Nehring House Renovation**

<table>
<thead>
<tr>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Investment Undertaken (See Instructions)</strong></td>
<td><strong>Public Investment Undertaken</strong></td>
</tr>
<tr>
<td><strong>11/1/99 to Date</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>$225,000</td>
<td>$75,000</td>
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<tr>
<td><strong>Ratio of Private/Public Investment</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### Project 2:

**FY15 Egyptian Theatre Renovations**

<table>
<thead>
<tr>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Investment Undertaken (See Instructions)</strong></td>
<td><strong>Public Investment Undertaken</strong></td>
</tr>
<tr>
<td><strong>11/1/99 to Date</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>$100,000</td>
<td>$12,518</td>
</tr>
<tr>
<td><strong>Ratio of Private/Public Investment</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### Project 3:

**FY15 Housing Rehab Grants**

<table>
<thead>
<tr>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Investment Undertaken (See Instructions)</strong></td>
<td><strong>Public Investment Undertaken</strong></td>
</tr>
<tr>
<td><strong>11/1/99 to Date</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>$90,183</td>
<td></td>
</tr>
<tr>
<td><strong>Ratio of Private/Public Investment</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### Project 4:

**FY15 Sidewalk Repairs**

<table>
<thead>
<tr>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Investment Undertaken (See Instructions)</strong></td>
<td><strong>Public Investment Undertaken</strong></td>
</tr>
<tr>
<td><strong>11/1/99 to Date</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>$7,000</td>
<td></td>
</tr>
<tr>
<td><strong>Ratio of Private/Public Investment</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### Project 5:

**FY15 Airport Heated Concrete Project Phase I**

<table>
<thead>
<tr>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Investment Undertaken (See Instructions)</strong></td>
<td><strong>Public Investment Undertaken</strong></td>
</tr>
<tr>
<td><strong>11/1/99 to Date</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>$4,018,876</td>
<td>$342,880</td>
</tr>
<tr>
<td><strong>Ratio of Private/Public Investment</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>11 31/43</td>
<td>0</td>
</tr>
</tbody>
</table>

### Project 6:

**FY15 Pappas Phase II**

<table>
<thead>
<tr>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Investment Undertaken (See Instructions)</strong></td>
<td><strong>Public Investment Undertaken</strong></td>
</tr>
<tr>
<td><strong>11/1/99 to Date</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>$163,521</td>
<td></td>
</tr>
<tr>
<td><strong>Ratio of Private/Public Investment</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

### Project 7:

**FY15 Parking Lot Improvements**

<table>
<thead>
<tr>
<th>Estimated Investment for Subsequent Fiscal Year</th>
<th>Total Estimated to Complete Project</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Private Investment Undertaken (See Instructions)</strong></td>
<td><strong>Public Investment Undertaken</strong></td>
</tr>
<tr>
<td><strong>11/1/99 to Date</strong></td>
<td><strong>$</strong></td>
</tr>
<tr>
<td>0</td>
<td>0</td>
</tr>
</tbody>
</table>

---

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.

---

**SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)**

---

**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**

---

[Body of the document containing financial details and project descriptions]
## Project 8:
**FY15 Street Improvements**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $381,912
- **Ratio of Private/Public Investment**: 0

## Project 9:
**FY14 Ellwood Association - Nehring House renovations**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $150,000
- **Ratio of Private/Public Investment**: N/A

## Project 10:
**FY14 Egyptian Theater Renovations**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $100,000
- **Ratio of Private/Public Investment**: N/A

## Project 11:
**FY14 Housing Rehab Grants**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $26,305
- **Ratio of Private/Public Investment**: N/A

## Project 12:
**FY14 Debutantes Marquee Project**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $85,301
- **Ratio of Private/Public Investment**: N/A

## Project 13:
**FY14 Augusta Ave. Lighting Project**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $49,693
- **Ratio of Private/Public Investment**: N/A

## Project 14:
**FY14 Street Improvements**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $297,092
- **Ratio of Private/Public Investment**: N/A

## Project 15:
**FY14 Street Construction/Reconstruction**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $372,060
- **Ratio of Private/Public Investment**: N/A

## Project 16:
**FY14 Sidewalks repairs**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $80,279
- **Ratio of Private/Public Investment**: N/A

## Project 17:
**FY13 Richoz AIP 221 WLH**
- **Private Investment Undertaken (See Instructions)**
- **Public Investment Undertaken**: $5,005

---

Public Investment Undertaken | $381,912
---

Public Investment Undertaken | $150,000 | $75,000 | $150,000
---

Public Investment Undertaken | $100,000
---

Public Investment Undertaken | $26,305
---

Public Investment Undertaken | $85,301
---

Public Investment Undertaken | $49,693
---

Public Investment Undertaken | $297,092
---

Public Investment Undertaken | $372,060
---

Public Investment Undertaken | $80,279
---

Public Investment Undertaken | $5,005
---
<table>
<thead>
<tr>
<th>Project</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>18</td>
<td>FY13 DeKalb Public Library Expansion</td>
</tr>
<tr>
<td></td>
<td>Private Investment Undertaken (See Instructions) $ 18,000,000</td>
</tr>
<tr>
<td></td>
<td>Public Investment Undertaken $ 2,000,000</td>
</tr>
<tr>
<td></td>
<td>Ratio of Private/Public Investment $ 9</td>
</tr>
<tr>
<td>19</td>
<td>FY13 McMahon Banquet 305 Grove (Faranda's)</td>
</tr>
<tr>
<td></td>
<td>Private Investment Undertaken (See Instructions) $ 1,500,000</td>
</tr>
<tr>
<td></td>
<td>Public Investment Undertaken $ 355,000</td>
</tr>
<tr>
<td></td>
<td>Ratio of Private/Public Investment $ 4</td>
</tr>
<tr>
<td>20</td>
<td>FY12 Downtown Improvements incl wayfinding signage</td>
</tr>
<tr>
<td></td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
<tr>
<td></td>
<td>Public Investment Undertaken $ 818,910</td>
</tr>
<tr>
<td></td>
<td>Ratio of Private/Public Investment $ -</td>
</tr>
<tr>
<td>21</td>
<td>2012/2013 Egyptian Theatre Capital Projects</td>
</tr>
<tr>
<td></td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
<tr>
<td></td>
<td>Public Investment Undertaken $ 875,000</td>
</tr>
<tr>
<td></td>
<td>Ratio of Private/Public Investment $ -</td>
</tr>
<tr>
<td>22</td>
<td>FY12 Annual Sidewalk Improvements</td>
</tr>
<tr>
<td></td>
<td>Private Investment Undertaken (See Instructions)</td>
</tr>
<tr>
<td></td>
<td>Public Investment Undertaken $ 91,296</td>
</tr>
<tr>
<td></td>
<td>Ratio of Private/Public Investment $ -</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 2015
TIF NAME: Central Area TIF
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>Reporting Fiscal Year</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Base EAV</td>
</tr>
<tr>
<td></td>
<td>EAV</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>
</tr>
</thead>
</table>

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

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

<table>
<thead>
<tr>
<th>Optional Documents</th>
<th>Enclosed</th>
</tr>
</thead>
<tbody>
<tr>
<td>Legal description of redevelopment project area</td>
<td></td>
</tr>
<tr>
<td>Map of District</td>
<td></td>
</tr>
</tbody>
</table>
November 25, 2015

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 2015.

Sincerely,

[Signature]
John Rey
Mayor
November 25, 2015

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 2015.

Sincerely,

Dean Frieders
Attorney
FY2015 Central Area TIF Activities Statement
July 1, 2014-Jun 30, 2015

Ellwood Nehring Improvements: FY15 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, ADA upgrades, and additional parking and driveway improvements.

Egyptian Theatre Improvements: In 2014, the Egyptian Theatre completed the renovation of the front exterior doors, house lighting improvements, a capital projects study, and undertook various other permanent improvements to the facility.

Pappas Phase II Redevelopment Project – In 2013, the City entered into a development agreement with Pappas Development for the redevelopment of the old Small’s Furniture property located at 2211 Sycamore Road into a restaurant & retail center. The project involved the investment of approximately $4.1 million by the property owner for new construction and redevelopment costs. Pappas Development requested and received $423,900 in Central Area Tax Increment Finance (TIF) funds as a forgivable loan to assist with site preparation costs, which was to be distributed in a minimum of two phases. Phase I consisted of the completion of the shell building in FY14. Phase II was completed in FY15 with the addition of Ellwood Steak and Fish House.

Low Income Housing Grants: Provided funding for 3 housing rehabilitation grants to income eligible residents. Improvements included replacement water heaters, replacement furnaces, and roof repairs.

DeKalb Taylor Municipal Airport Improvements: A heated concrete threshold was installed at #2 aircraft hangar. This hangar faces north so in the winter, the area under and in front of the hangar door never thawed out. The hangar doors were basically frozen to the ground most of the winter. The new heated threshold warms a 3’ area under and in front of the hangar door.

Municipal Haish Parking Lot: Haish parking lot upgrades include milling and surface overlay, replacing old light poles with new decorative light poles and fixtures, and sidewalk improvements.

Street Construction/Reconstruction: Annual TIF area improvements of street patching, milling, overlaying, sidewalk repairs and alley reconstruction. Areas include:

- Seaman Ave- Sunrise to Clark
- N. 9th street – Pleasant to Oak
- N. 14th street- North end to Dresser
- N. 14th street – Clark to Pleasant
AGREEMENT made this 25 day of June 2012, by and between the City of DeKalb, Illinois, an Illinois Municipal Corporation, (hereinafter referred to as "City") and the Ellwood House Association, Inc., an Illinois not-for-profit Corporation (hereinafter referred to as “EHA”.)

RECITALS

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

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

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

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

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

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

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

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

NOW THEREFORE, the parties agree as follows:

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

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

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

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

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

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

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

4. INTENTIONALLY OMITTED.

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

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

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

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

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

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

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

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

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

**CITY OF DEKALB**

Kris Povlsen  
Mayor

Diane Wright  
City Clerk

**Ellwood House Association, Inc.**

Brian Reis  
Director
MORTGAGE

THIS MORTGAGE is made on the same date herewith. The mortgagor is Gloria Jean Hampton ("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 Two Thousand Eight Hundred Seventy-Four and 97/100 Dollars ($2,874.97) 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 7th day of October, 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 40 of Lincoln-View Subdivision, being a part of the Southwest quarter of Section 24, Township 40 North, Range 4, East of the Third Principal Meridian, in the City of DeKalb, as per plat thereof recorded March 23, 1954 as Document No. 269031 in Book "I" of Plats, Page 24, situated in the County of DeKalb, and State of Illinois.

Commonly known as: 109 Home Drive, DeKalb, Illinois 60115
PIN: 08-24-303-034

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 __________

Gloria Jean Hampton

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 Gloria Jean Hampton, 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 Two Thousand Eight Hundred Seventy-Four and 97/100 Dollars ($2,874.97) 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 7th day of October, 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 40 of Lincoln-View Subdivision, being a part of the Southwest quarter of Section 24, Township 40 North, Range 4, East of the Third Principal Meridian, in the City of DeKalb, as per plat thereof recorded March 23, 1954 as Document No. 269031 in Book "I" of Plats, Page 24, situated in the County of DeKalb, and State of Illinois.

Commonly known as: 109 Home Drive, DeKalb, Illinois 60115
PIN: 08-24-303-034

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.

Gloria Jean Hampton

11-5-14
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 Gloria Jean Hampton, 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 5 day of November, 2015.

Notary Public
City of DeKalb
Owner-Occupied Housing Rehabilitation Program
Declaration of Understanding

I/We, the undersigned owner ("Owner"), Gloria Jean Hampton, 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 109 Home Drive DeKalb, IL 60115. The property is legally described as:

Lot 40 of Lincoln-View Subdivision, being a part of the Southwest quarter of Section 24, Township 40 North, Range 4, East of the Third Principal Meridian, in the City of DeKalb, as per plat thereof recorded March 23, 1954 as Document No. 269031 in Book "I" of Plats, Page 24, situated in the County of DeKalb, and State of Illinois.

PIN: 08-24-303-034

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 16th day of October, 2014.

OWNER(S):

Gloria Jean Hampton

STATE OF ILLINOIS )
SS
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 16th day of October 2014.

Jamie L. Smirz
Notary Public

"OFFICIAL SEAL"
JAMIE L. SMIRZ
Notary Public, State of Illinois
My Commission Expires 1/26/15
REHABILITATION PROGRAM AGREEMENT

THIS PRIVATE PROPERTY REHABILITATION AGREEMENT (the “Agreement”), made this 6th day of October, 2014 by and between Gloria Jean Hampton, (the “Owner”), who reside(s) at 109 Home Drive, 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 programs 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 (\(\frac{1}{60}\)) 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 incur 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):

Gloria Jean Hampton

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 16 day of October, 2014.

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 6th day of October, 2014, is by and between Gloria Jean Hampton, whose address is 109 Home Drive, 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 109 Home Drive, 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);

Gloria Jean Hampton

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, 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 __, 2014.

Notary Public
MORTGAGE

THIS MORTGAGE is made on the same date herewith. The mortgage Martha Melendez ("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 Four Thousand Seven Hundred Twenty-Seven and 00/100 Dollars ($4,727.00) 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 27th day of March, 2020.

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 Seven (7) in Block Twenty Five (25) in Gilson's Addition to the Village (now City) of DeKalb, according to the plat thereof recorded in Book “A” of Plats on page 21 on March 18th, 1856; situated in the County of DeKalb and the State of Illinois.

Commonly known as: 122 N. 11th Street, DeKalb, Illinois 60115
PIN: 08-23-407-001

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 _3_ rd day of

April, 2015.

Martha Melendez

STATE OF ILLINOIS
COUNTY OF DEKALB

I, Mary Jo Harms, a Notary Public in and for the County of DeKalb, in the State of Illinois, do hereby certify that Martha Melendez, 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 _3_ rd day of April, 2015.

Mary Jo Harms
Notary Public

OFFICIAL SEAL
MARY JO HARMS
Notary Public, State of Illinois
My Commission Expires 11/18/17

Melendez 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 Four Thousand Seven Hundred Twenty Seven and 00/100 Dollars ($4,727.00) 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 27th day of March, 2015. 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 Seven (7) in Block Twenty Five (25) in Gilson’s Addition to the Village (now City) of DeKalb, according to the plat thereof recorded in Book “A” of Plats on page 21 on March 18th, 1856; situated in the County of DeKalb and State of Illinois.

Commonly known as: 122 North 11th Street, DeKalb, Illinois 60115
PIN: 08-23-407-001

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.

Martha Melendez

Date

STATE OF ILLINOIS
COUNTY OF DEKALB

I, Mary Jo Harms, a Notary Public in and for the State of Illinois, do hereby certify that Martha Melendez, 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 3rd day of April, 2015.

Notary Public
City of DeKalb
Owner-Occupied Housing Rehabilitation Program
Declaration of Understanding

I/We, the undersigned owner ("Owner"). _Martha Melendez_, 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 _122 N. 11^{th} Street DeKalb, IL 60115_. The property is legally described as:

Lot Seven (7) in block Twenty Five (25) in Gilson’s Addition to the Village (now City) of DeKalb, according to the plat thereof recorded in Book “A” of Plats on page 21 on March 18^{th}, 1856; situated in the County of DeKalb and State of Illinois.

PIN: 08-23-407-001

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 10 day of June, 2014.

OWNER(S):

Martha Melendez

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 10 day of June, 2014.

Notary Public
RECAPTURE AGREEMENT
(EXHIBIT A)

THIS RECAPTURE AGREEMENT (the “Agreement”), dated as of the 10th day of June, 2014, is by and between Martha Melendez, whose address is 122 N. 11th 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 122 N. 11th 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);

Martha Melendez

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 June, 2014.

Jamie L. Smirz
Notary Public
REHABILITATION PROGRAM AGREEMENT

THIS PRIVATE PROPERTY REHABILITATION AGREEMENT (the "Agreement"), made this 10th day of June, 2014 by and between Martha Melendez, (the "Owner"), who reside(s) at 122 N. 11th Street, 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.
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. **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 accrue to, the parties hereto, their legal representatives, successors in 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):

Martha Melendez

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 10 day of June, 2014.

Notary Public.
Attachments:  
EXHIBIT A - Recapture Agreement  
EXHIBIT B - Declaration of Understanding  
EXHIBIT C - Mortgage and Promissory Note
MORTGAGE

THIS MORTGAGE is made on the same date herewith. The mortgagor is Francisco Mascote ("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 One Hundred and 00/100 Dollars ($5,100.00) 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 12th day of June, 2020.

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 2 in Block 6 in W.L. Ellwood's addition to the city of DeKalb, according to the plat thereof recorded in book "B" of plats, page 114, situated in DeKalb County, Illinois.

Commonly known as: 725 N. 12TH Street, DeKalb, Illinois 60115
PIN: 08-23-209-008

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, 200 South Fourth Street, 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 June, 2015.

Francisco Mascote

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 Francisco Mascote, 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 29 day of June, 2015.

Jamie L. Smirz
Notary Public

"OFFICIAL SEAL"
JAMIE L SMIRZ
Notary Public, State of Illinois
My Commission Expires 4/16/19
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 One Hundred and 00/100 Dollars ($5,100.00) 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 12th day of June, 2015. 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 2 in Block 6 in W.L. Ellwood's addition to the city of DeKalb, according to the plat thereof recorded in book "B" of plats, page 114, situated in DeKalb County, Illinois.

Commonly known as: 725 N. 12th Street, DeKalb, Illinois 60115
PIN: 08-23-209-008

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

Francisco Mascote
Francisco Mascote
4/29/15
Date

STATE OF ILLINOIS
COUNTY OF DEKALB

I, Jamie L. Smirz, a Notary Public in and for the State of Illinois, do hereby certify that Francisco Mascote, 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 29 day of June, 2015.

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

I/We, the undersigned owner ("Owner"), Francisco Mascote, 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 725 N. 12th Street, DeKalb, IL 60115. The property is legally described as:

Lot 2 in Block 6 in W.L. Ellwood's addition to the city of DeKalb, according to the plat thereof recorded in book "B" of plats, page 114, situated in DeKalb County, Illinois.

PIN: 08-23-209-008

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 25th day of November, 2014.

OWNER(S):

Francisco Mascote

STATE OF ILLINOIS )
    SS
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 25 day of November, 2014.

Jamie L. Smirz
Notary Public

Notary Public

My Commission Expires 12/26/15
REHABILITATION PROGRAM AGREEMENT

THIS PRIVATE PROPERTY REHABILITATION AGREEMENT (the "Agreement"), made this 24th day of November, 2014 by and between Francisco Mascote, (the "Owner"), who reside(s) at 725 N. 12th Street 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. **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. **SUCCESSIONS.** This Agreement shall bind, and the benefits shall incur 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.

Planning/2010/CDBG10/Jamie/Rehabilitation Program Agreement
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.

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OWNER(s):

Francisco Mascote

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/they 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 2 day of December, 2014.
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 24th day of November, 2014, is by and between Francisco Mascote, whose address is 725 N. 12th 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 725 N. 12th 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);

[Signature]
Francisco Mascote

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, 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 _2_ day of __________, 2014.

[Signature]
Notary Public

Planning/2010/CDBG10/Jamie/Recapture Agreement
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 to 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:

City Manager
City of DeKalb
200 S. Fourth Street
DeKalb, IL 60115
annemarie.gaura@cityofdekalb.com

For the Contractor:

Kathleen Field Orr and Associates
53 W. Jackson Boulevard, Suite 964
Chicago, IL 60601
kfo@kfoassoc.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.
Prepared by and return to,

City Clerk's Office
City Of DeKalb
200 South 4th Street
DeKalb, IL 60115

DOCUMENT TYPE: Development Agreement
DOCUMENT DATE: May 28, 2013
LEGAL DESCRIPTION (If applicable): 2211 Sycomore Road

This page is being added to this document for the purposes of compliance with P.A. 87-1197
Development Agreement

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

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

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

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

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

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

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

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

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

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

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

4) Forgivable Loan Incentive:

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

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

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

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

5) Repayment of Forgivable Loan Incentive:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

City of DeKalb
IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by the signature of their duly authorized representatives as of the dates written below, and effective as of this 25th day of May, 2013:

Pappas-Glasgow Development, LLC

By: 

JOHN PAPPAS, MANAGER

Its: 

City of DeKalb

John Rey, Mayor

Attest:

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

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

Site Plan 1 - Restaurant Option
Exhibit B

Site Plan 2 – Retail Center Option
Exhibit C

Permitted and Ineligible Uses for Incentives

Permitted Uses for Incentives:

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

Ineligible Uses for incentives:

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

The Parties acknowledge that the City may unilaterally add additional Permitted Uses without requiring an amendment to this Agreement. The Parties further acknowledge that, in order for a given use to be considered a “Permitted Use” and to thus be eligible for crediting revenue against the forgivable loan contemplated herein, said use must be a “net new” use as determined in the City’s sole and absolute discretion. To be considered a “net new” use, such use must be: 1) a new enterprise, not currently located in the City of DeKalb (or any neighboring community covered by state laws addressing relocation of sales-tax generating businesses); or, 2) a new second location for an existing business (where all current locations...
are to be maintained). Uses shall not be considered "net new" uses if: 1) such businesses are
relocations from an existing facility in the City of DeKalb or any neighboring community
subject to Illinois law addressing relocation of sales-tax generating businesses; or, 2) such
businesses are otherwise located in a fashion that is reasonably determined, by the City, to be
a replacement or modification of an existing enterprise, rather than a new enterprise or a
marked expansion of an existing enterprise.
The schedule above represents the summary of estimated costs that are potentially eligible for reimbursement to the Company, if otherwise eligible to be reimbursed in accordance with applicable TIF law. The Company is may claim a larger/smaller item reimbursement, as long as the total reimbursements are eligible and do not exceed the total amount.

<table>
<thead>
<tr>
<th>Description</th>
<th>Estimates 5/13</th>
</tr>
</thead>
<tbody>
<tr>
<td>Recapture Fee to Pappas/Glasgow for access to traffic light to south</td>
<td>$0</td>
</tr>
<tr>
<td>Demolition of Small's (Cap well and remove septic tank)</td>
<td>$48,900</td>
</tr>
<tr>
<td>Engineered fill to raise site to construction grade -- Developer to furnish gravel base and paving</td>
<td>$80,000</td>
</tr>
<tr>
<td>Retaining wall along rear property line with fence and one stair &amp; protective fencing</td>
<td>$25,000</td>
</tr>
<tr>
<td>Overlay on NIU Warehouse (mix, till, shape, grind with 2&quot; HMA overlay)</td>
<td>$45,000</td>
</tr>
<tr>
<td>On &amp; Offsite Sanitary, Water, Hydrant, &amp; Storm Sewer to direct Runoff past NIU to Pappas/Glasgow detention basin</td>
<td>$175,000</td>
</tr>
<tr>
<td>Contingency (Now Engineering)</td>
<td>$50,000</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>$423,900</strong></td>
</tr>
</tbody>
</table>
Exhibit E

Bidder/Contractor Certifications

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

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

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

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

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

Prevailing Wage: The Bidder certifies that it shall comply with all applicable provisions of the Prevailing Wage Act, and further certifies that it is not in violation of said Act and has not been barred from bidding on this proposal by virtue of a past violation of the Act. A copy of the most recent available list of prevailing wages is attached hereto or has been provided to the Bidder. The Bidder is responsible for regularly updating said list as new prevailing wage rates are made available by the City or by the Illinois Department of Labor. The Illinois Department of Labor posts regular updates to prevailing wage rates on its official website, which is currently www.illinois.gov/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 willful 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.
RESOLUTION 2015-070
PASSED: JULY 27, 2015

AUTHORIZING THE MAYOR OF THE CITY OF DEKALB, ILLINOIS TO ENTER INTO A FY2016 TAX INCREMENT FINANCING AGREEMENT WITH PRESERVATION OF THE EGYPTIAN THEATRE (PET) FOR FACILITY IMPROVEMENTS TO THE EGYPTIAN THEATRE IN AN AMOUNT NOT TO EXCEED $330,000 BEGINNING JULY 1, 2015 THROUGH JUNE 30, 2016.

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

Section 1. That the Mayor of the City of DeKalb be authorized and directed to execute an Agreement with Preservation of the Egyptian Theatre (P.E.T.) for Tax Increment Financing (TIF) funds in the amount of Three Hundred Thirty Thousand No/100 Dollars ($330,000) for FY16 (and rollover of any unspent funds from preceding years’ allotment) for facility improvements at the Egyptian Theatre, a copy of which is attached hereto and made a part hereof as Exhibit “A,” subject to such changes as shall be acceptable to the Mayor on the advice of the City Manager.

Section 2. That the City Clerk of the City of DeKalb be authorized and directed to attest the Mayor’s signature.


ATTEST:

JENNIFER JEEP JOHNSON, City Clerk

JOHN A. REY, Mayor
AGREEMENT made this 22nd day of June, 2015, 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 Three Hundred Thirty Thousand and No/100 Dollars ($330,000) for Fiscal Year 2016 to pay for projects as they are identified herein; and

NOW THEREFORE, the parties agree as follows:

I. FUNDING. For Fiscal Year 2016 the City shall grant to P.E.T. an amount not to exceed Three Hundred Thirty Thousand and No/100 Dollars ($330,000). These monies shall be used to pay the invoices associated with an operations feasibility study ($50,000), updating air conditioning engineering documents ($180,000), and the items listed in the prioritized list of capital expenditures ($100,000) provided in Exhibit "A". The updating of air conditioning engineering documents project shall not commence until the operations feasibility study has been completed and reviewed by the City Council. All invoices for work associated with the operations feasibility study, air conditioning engineering, and the items listed in Exhibit "A" completed in Fiscal Year 2016 shall be forwarded to the City of DeKalb no later than July 15, 2016. Any portion of the $100,000 allocated to the prioritized list of capital expenditures that goes unspent within a given year may be rolled over to the following or subsequent years, with the City reserving the right to limit such future rollover in its sole discretion.
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 an operations feasibility study, updating air conditioning engineering documents, and 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 an operations feasibility study, updating air conditioning engineering documents, and 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 2016 which shall summarize all activities and rehabilitation projects undertaken by the organization during the term of this Agreement.

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

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

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

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

IX. 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. WAIVER OF MASS GATHERING PERMIT FEE FOR THE HAUNTED HOUSE EVENT: P.E.T. agrees to complete all documentation required for the issuance of a mass gathering permit by the City for the Haunted House event in October-November, 2015. The fee associated with said permit is hereby waived.

XI. TERM OF AGREEMENT. This Agreement shall be in effect from July 1, 2015 to June 30, 2016.

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

PRESERVATION OF THE EGYPTIAN THEATRE

John Rey, Mayor

Kathy Love, Board President

Julie Abraham, Deputy City Clerk
Exhibit “A”
Prioritized List of Capital Expenditures for the Egyptian Theatre.

Future Projects:
Install air conditioning
Replace aisle lighting
Stage rigging repairs
Fall arrest safety system for front of house truss
Replace stage cyc lights and controls
Replace lighting electrical panel
Boiler & plumbing repairs
Building electrical repairs
Plaster repairs in auditorium
Replace movie screen/frame
Replace ceiling lights in balcony
Replace ceiling lights in under balcony
Refinish stage floor
Plasterwork & painting restoration in auditorium
Replace front of house raceway and cabling
Replace lighting dimmer racks
Replace main curtain, border and valance
Replace ceiling lights in lobby and foyer
Replace architectural lighting in theatre with LED lighting
Upgrade and restore marquee
Replace rear lobby ceiling lights
Install security cameras
Install security system
Replace carpet
Plasterwork & painting restoration in office
Replace stage loading doors

Installation of Wurlitzer Theatre Organ (can’t be completed until Theatre has AC)

Future Building Addition(s) to include:
Larger restrooms
Renovated and additional concessions with ADA access
Larger box office area with ADA access
Office area
Storage
Elevator
Multi-purpose and meeting rooms
Dressing rooms with ADA access
Additional backstage space
Loading dock
Laundry facilities
Production facilities and storage
Exhibit “B”
Bidder Certifications

Sexual Harassment: The Bidder certifies that it is in compliance with the Illinois Human Rights Act 775 ILCS 5/1.101, et seq. including establishment and maintenance of sexual harassment policies and program.

Tax Delinquency: The Bidder certifies that it is not delinquent in payment of any taxes to the Illinois Department of Revenue in accordance with 65 ILCS 5/11-42.1, and is not delinquent in the payment of any tax, charge or obligation to the City of DeKalb.

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

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

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

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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 ILCS 5/33E-3 (Bid Rigging) or 720 ILCS 5/33-4 (Bid Rotating) or a similar law of another state or of the federal government.

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.

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Responsible Bidder Requirements: The Bidder certifies that it complies with the Illinois Procurement Code and the provisions of Section 30-22 thereof relating to apprenticeship and training, if applicable.

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).

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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.

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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 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. The Bidder 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.
The Joint Review Board of the City of DeKalb, Illinois, held its annual meeting on Thursday December 19, 2013 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 10:35 a.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, Lisa Small, DeKalb Park District; Gary Hanson, DeKalb County; Andrea Gorla, DeKalb School District.

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

2. REVIEW OF 2013 PROGRAM, ACTIVITIES, AND FINANCIAL ADMINISTRATION

Ms. Diedrich reviewed the contents 2013 Annual Central Area TIF report in detail.

MOTION
Mr. Galick moved to receive and file the 2013 Central Area TIF annual report; seconded by Ms. Gorla. Motion carried 5-0-3 on voice vote.

4. FY14 TIF SURPLUS DISTRIBUTION

Ms. Diedrich reviewed the FY14 surplus projections in detail.

Ms. Small asked how the monies were distributed, specifically noting the payouts to the City and State of IL. Mr. Espiritu advised that because the Central Area TIF was a sales tax TIF, the State and City were entitled to a portion of the funds back when a surplus is distributed because they had been depositing sales tax revenues over the years.

Mr. Hanson asked what projects had been implemented as recommended in the 2008 extension? Mr. Espiritu listed the projects completed.
Ms. Small asked why the 2014 surplus was less than the 2013 surplus. Ms. Diedrich advised that was because the sales tax portion of the TIF expired in 2013; sales tax funds were no longer going to be deposited into the fund.

5. QUESTIONS AND COMMENTS

NONE

ADJOURNMENT:

MOTION
Mr. Galick moved to adjourn the meeting; seconded by Mr. Hanson. Motion carried 5-0-3 by voice vote. The meeting was adjourned at 10:50 a.m. Chairperson Espiritu declared the motion passed.

JENNIFER M. DIEDRICH, Economic Development Coordinator
The Joint Review Board of the City of DeKalb, Illinois, held its annual meeting on Thursday December 18, 2014 in the Executive Conference room of the DeKalb Municipal Building, 200 South Fourth Street, DeKalb, Illinois.

Jennifer Diedrich, Economic Development Coordinator, 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: Sheela Prahlad, Public Member.

Also present was: Anne Marie Gaura, City Manager; Cathy Haley, Finance Director; and Jennifer Diedrich, Economic Development Coordinator.

With only one member of the Joint Review Board attending the meeting, making motions and voting on agenda items was not possible.

Ms. Diedrich briefly reviewed the contents of the FY14 Central Area Tax Increment Financing District. Discussion continued between all present.

ADJOURNMENT:

The meeting adjourned at 3:05 p.m.

JENNIFER M. DIEDRICH, Economic Development Coordinator
CITY OF DEKALB, ILLINOIS

REPORT ON COMPLIANCE WITH PUBLIC ACT 85-1142

FOR THE FISCAL YEAR ENDED
JUNE 30, 2015
# CITY OF DEKALB, ILLINOIS
# TAX INCREMENT FINANCING DISTRICTS REDEVELOPMENT FUNDS

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<td>Independent Auditors' Report on Supplementary Information</td>
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<td>6</td>
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INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

November 6, 2015

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, 2015, which collectively comprise the City of DeKalb, Illinois's basic financial statements, and have issued our report thereon dated November 6, 2015.

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 6, 2015

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, 2015, which collectively comprise the City of DeKalb, Illinois’s basic financial statements, and have issued our report thereon dated November 6, 2015. 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, 2015

<table>
<thead>
<tr>
<th>Special Revenue</th>
<th>Debt Service</th>
<th>Totals (Memorandum Only)</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Tax Increment</td>
<td>Tax Increment</td>
</tr>
<tr>
<td></td>
<td>Financing #1</td>
<td>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>$6,439,568</td>
<td>1,329,665</td>
</tr>
<tr>
<td>Interest</td>
<td>47,872</td>
<td>8,223</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>605</td>
<td>-</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>6,488,045</td>
<td>1,337,888</td>
</tr>
<tr>
<td>Expenditures</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Community Development</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Contractual Services</td>
<td>135,209</td>
<td>264,220</td>
</tr>
<tr>
<td>Improvements</td>
<td>3,916,116</td>
<td>371,303</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Permanent Improvements</td>
<td>376,954</td>
<td>-</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>4,428,279</td>
<td>635,523</td>
</tr>
<tr>
<td>Excess (Deficiency) of Revenues Over (Under) Expenditures</td>
<td>2,059,766</td>
<td>702,365</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>(1,855,647)</td>
<td>(150,931)</td>
</tr>
<tr>
<td>Net Change in Fund Balance</td>
<td>204,119</td>
<td>551,434</td>
</tr>
<tr>
<td>Fund Balance - Beginning</td>
<td>2,392,419</td>
<td>7,109,980</td>
</tr>
<tr>
<td>Fund Balance - Ending</td>
<td>2,596,538</td>
<td>7,661,414</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, 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance - July 1, 2014</td>
<td>$2,392,419</td>
</tr>
<tr>
<td>Deposits</td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>6,439,568</td>
</tr>
<tr>
<td>Investment Income</td>
<td>47,872</td>
</tr>
<tr>
<td>Miscellaneous</td>
<td>605</td>
</tr>
<tr>
<td><strong>Total Deposits</strong></td>
<td>6,488,045</td>
</tr>
<tr>
<td>Balance Plus Deposits</td>
<td>8,880,464</td>
</tr>
<tr>
<td>Expenditures and Transfers</td>
<td></td>
</tr>
<tr>
<td>Community Development</td>
<td>4,051,325</td>
</tr>
<tr>
<td>Capital Outlay</td>
<td>376,954</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>1,855,647</td>
</tr>
<tr>
<td><strong>Total Expenditures and Transfers</strong></td>
<td>6,283,926</td>
</tr>
<tr>
<td>Ending Balance - June 30, 2015</td>
<td>2,596,538</td>
</tr>
<tr>
<td>Ending Balance by Source</td>
<td></td>
</tr>
<tr>
<td>Property Tax</td>
<td>2,596,538</td>
</tr>
<tr>
<td><strong>Subtotal</strong></td>
<td>2,596,538</td>
</tr>
<tr>
<td><strong>Less Surplus Funds</strong></td>
<td></td>
</tr>
<tr>
<td><strong>Ending Balance</strong></td>
<td>2,596,538</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, 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance - July 1, 2014</td>
<td>$7,109,980</td>
</tr>
<tr>
<td>Deposits</td>
<td></td>
</tr>
<tr>
<td>Property Taxes</td>
<td>1,329,665</td>
</tr>
<tr>
<td>Investment Income</td>
<td>8,223</td>
</tr>
<tr>
<td>Total Deposits</td>
<td>1,337,888</td>
</tr>
<tr>
<td>Balance Plus Deposits</td>
<td>8,447,868</td>
</tr>
<tr>
<td>Expenditures and Transfers</td>
<td></td>
</tr>
<tr>
<td>Community Development</td>
<td>635,523</td>
</tr>
<tr>
<td>Transfers Out</td>
<td>150,931</td>
</tr>
<tr>
<td>Total Expenditures and Transfers</td>
<td>786,454</td>
</tr>
<tr>
<td>Ending Balance - June 30, 2015</td>
<td>7,661,414</td>
</tr>
<tr>
<td>Ending Balance by Source</td>
<td></td>
</tr>
<tr>
<td>Property Tax</td>
<td>7,661,414</td>
</tr>
<tr>
<td>Subtotal</td>
<td>7,661,414</td>
</tr>
<tr>
<td>Less Surplus Funds</td>
<td></td>
</tr>
<tr>
<td>Ending Balance</td>
<td>7,661,414</td>
</tr>
</tbody>
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CITY OF DEKALB, ILLINOIS
TAX INCREMENT FINANCING DEBT SERVICE FUND

Schedule of Fund Balance by Source
For the Fiscal Year Ended June 30, 2015

<table>
<thead>
<tr>
<th>Description</th>
<th>Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>Beginning Balance - July 1, 2014</td>
<td>$</td>
</tr>
<tr>
<td>Deposits</td>
<td></td>
</tr>
<tr>
<td>Transfer In</td>
<td>1,063,975</td>
</tr>
<tr>
<td>Balance Plus Deposits</td>
<td>1,063,975</td>
</tr>
<tr>
<td>Expenditures and Transfers</td>
<td></td>
</tr>
<tr>
<td>Debt Service</td>
<td>1,063,975</td>
</tr>
<tr>
<td>Ending Balance - June 30, 2015</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>
INDEPENDENT AUDITORS' REPORT ON COMPLIANCE

November 6, 2015

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

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

LAUTERBACH & AMEN, LLP
<table>
<thead>
<tr>
<th>Date of Agrmt</th>
<th>Agreement Name</th>
<th>2015</th>
<th>2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>5/27/2007</td>
<td>Intergovernmental agreement on the extension of the central area tax increment financing redevelopment plan and project.</td>
<td>$3,219,784</td>
<td>$0</td>
</tr>
<tr>
<td>9/27/2007</td>
<td>Rider to the intergovernmental agreement on the extension of the central area tax increment financing redevelopment plan and project with DeKalb Community School District #428</td>
<td>$0</td>
<td>$0</td>
</tr>
<tr>
<td>9/28/2009</td>
<td>Intergovernmental agreement regarding the distribution of tax increment financing proceeds through July, 2010</td>
<td>$0</td>
<td>$0</td>
</tr>
</tbody>
</table>