RESOLUTION 2017-029        PASSED: JANUARY 23, 2017

AUTHORIZING AN ARCHITECTURAL IMPROVEMENT
PROGRAM (AIP) ECONOMIC INCENTIVE FOR SAMUEL
& NUK, INC., 251-255 EAST LINCOLN HIGHWAY,
DEKALB, ILLINOIS.

WHEREAS, the City of DeKalb is a home-rule municipal corporation with all power and
authority derived under the law; and

WHEREAS, the building located at 251-255 East Lincoln Highway ("the Premises") is
owned by Samuel & Nuk, Inc. ("Owner") and

WHEREAS, Owner has advised the City that they are currently engaged in renovation of
the Premises interior, with plans to improve the exterior façade, and

WHEREAS, Owner has proposed to commit a substantial sum of funds to the completion
of renovation of the building on the Premises, subject to the City’s commitment to provide
economic development grant funding for this project; and

WHEREAS, the City Council of the City of DeKalb has determined that it is necessary
and advantageous and supports the public health, welfare and safety to provide an
economic incentive to ensure the revitalization of an otherwise obsolete property;

NOW THEREFORE BE IT RESOLVED BY THE CITY COUNCIL of the City of DeKalb,
Illinois:

Section 1. The City Council of the City of DeKalb hereby approves of the provision of a
City-funded incentive in an amount not to exceed $25,000, or that sum which is 50% of
the eligible costs for the Exterior Improvements as defined in the Agreement attached
hereto, for the above-described project. Said incentive shall be provided to the Owner as
a reimbursement of Tax Increment Financing District ("TIF") eligible project costs, to be
provided upon completion of the project (after submission of appropriate project cost
documentation in form and content acceptable to the Community Development Director,
and after issuance of a final, unconditional Certificate of Occupancy). Said incentive shall
be processed by the City as a TIF-funded Architectural Improvement Program grant,
repaid as a forgivable loan as described below.

This incentive is provided contingent upon the following conditions:

a. The Owner shall invest not less than $50,000 on exterior improvements to the
Premises, and shall invest a cumulative total of not less than $180,000 on all
improvements to the Premises, and such improvements shall be completed within one
year of the date of passage of this Resolution.

b. The Owner shall execute an Architectural Improvement Project agreement
substantially in the format attached hereto as Exhibit A, with such revisions as shall be acceptable to the Mayor of the City of DeKalb with the recommendation of the City staff. Said agreement shall be executed within thirty days of the date of passage of this Resolution.

c. The City’s reimbursement shall be provided within sixty days after the Owner obtains a final, unconditional certificate of occupancy and provides the City with complete documentation of eligible project costs in form and content acceptable to the Community Development Director.

d. The Owner shall comply with the AIP Project guidelines (page 5 and 6 of the Business Incentive Guidelines) attached hereto as Exhibit “1”, except where specifically in conflict with this Resolution.

e. The project and the Premises shall comply with all applicable codes, ordinances, regulations and restrictions, inclusive of the regulations contained in the Agreement approved herein.

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

Section 3. Thereafter, City staff are directed to fully comply with the terms of the Agreement, and to undertake the obligations contained therein. The City Council expressly approves of the provision of the funding contemplated therein without requirement of further Council approval. Provided that the work performed under the Agreement is performed in accordance with the Agreement, the City Council waives any otherwise applicable requirement for City Council approval of bids or vendors utilized by Owner and waives any applicable competitive bidding requirement (except to the extent required under the Agreement).

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois, at a Regular meeting thereof held on the 23rd day of January, 2017, and approved by me as Mayor on the same day. Passed by an 8-0 roll call vote. Aye: Jacobson, Finucane, Marquardt, Snow, Noreiko, Baker, Faivre, Rey.

ATTEST:

JENNIFER JEEP JOHNSON, City Clerk

JOHN A. REY, Mayor
CITY OF DEKALB
ARCHITECTURAL IMPROVEMENT PROGRAM (AIP) FUNDING AGREEMENT

THIS AGREEMENT entered this 23rd day of January, 2017 between the City of DeKalb, Illinois, a home rule municipality, (hereinafter referred to as “the CITY”), and the following designated owner (“OWNER”), TO WIT:

Name of Owner: Samuel & Nuk, Inc.

Address of Property to be improved: 251-255 East Lincoln Highway. ("SUBJECT PROPERTY")

WITNESSETH:

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

WHEREAS, said Program is administered by the CITY, with funding decisions intended to be made by the CITY with advice of an ad-hoc Architectural Improvement Review Committee; and

WHEREAS, the Architectural Improvement Review Committee has not met and no longer exists, therefore the grant recommendation was forwarded for City Council consideration without a committee recommendation; and

WHEREAS, on January 23, 2017, the City Council approved Resolution 2017-029, authorizing an architectural improvement program (AIP) Economic Incentive with the Owner; and

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

WHEREAS, the SUBJECT PROPERTY of the OWNER is located within the defined PROGRAM area; and

WHEREAS, pursuant to the PROGRAM, the City has agreed to financially participate, at its sole discretion, and the terms and conditions set forth in this Agreement; and

WHEREAS, the OWNER desires to participate in the Program, subject to the terms and conditions set forth or modified in this Agreement.

NOW THEREFORE, in consideration of the mutual covenants and agreement obtained herein, the City and the Owner do hereby agree as follows:
A. The CITY shall share in the proposed improvement costs to the SUBJECT PROPERTY of the OWNER, in an amount not to exceed $25,000, and the CITY shall reimburse the OWNER for said amount upon submittal of proof of an equivalent amount paid for approved work on the SUBJECT PROPERTY. Funding provided by the City shall be utilized towards the cost of the Exterior Improvements described below (as a component of the APPROVED IMPROVEMENTS). The funding paid, provided, waived and/or forgiven by the CITY to the OWNER shall be considered a Forgivable Loan subject to the following terms:

1. The OWNER agrees to install, or cause to be installed the following approved improvements to interior and exterior of the existing principal structure on the SUBJECT PROPERTY (“APPROVED IMPROVEMENTS”), and agrees to expend not less than $180,000 (the “MINIMUM EXPENDITURE”) on said APPROVED IMPROVEMENTS.

   Exterior Improvements (Comprising not less than $50,000 of the MINIMUM EXPENDITURE):
   a. ADA compliant vestibule at 251 East Lincoln Highway
   b. New windows at 251 East Lincoln Highway
   c. Cedar panel above awnings across both storefronts
   d. New awning at 251 East Lincoln Highway
   e. New Signage mounted to Cedar panel above 251 East Lincoln Highway
   f. Cleaning of existing masonry across both storefronts
   g. Scraping and repainting of trim around entrance at 255 East Lincoln Highway

   Interior Improvements (Comprising not less than $130,000 of the MINIMUM EXPENDITURE):
   h. Kitchen and dining room buildout in compliance with submitted and approved plans for 251 East Lincoln Highway
   i. New employee bathrooms in basement of 251 East Lincoln Highway

2. The APPROVED IMPROVEMENTS shall be in substantial compliance with the plans prepared Robert Schraw Architect (“APPROVED PLANS”), consisting of the following sheets and attached hereto as Exhibit 1:

   a. Revised South Elevation for New Signage Design, dated January 4, 2017

3. Prior to installation of APPROVED IMPROVEMENTS, OWNER must submit plans to the CITY for review, and must receive written approval of APPROVED IMPROVEMENTS by the Community Development Director pursuant to reports from the City’s building consultant HR Green confirming compliance with applicable building code requirements and confirming compliance with Unified Development Ordinance.

4. Improvements shall be completed within one (1) calendar year from the date of execution of this Agreement by the City, and in such a manner as to comply with all
conditions of approval of this Agreement, and all pertinent regulations, ordinances, or
codes of the CITY or other authority having jurisdiction of SUBJECT PROPERTY. In
the event that OWNER fails to complete the APPROVED IMPROVEMENTS within
one calendar year of the date of execution of this Agreement by the City, this
Agreement shall be terminated without payment of any incentive. The APPROVED
IMPROVEMENTS shall not be deemed complete until all such improvements are fully
constructed and have received a final certificate of occupancy, approved final
inspection and all other required approvals.

5. OWNER shall provide documentation of project costs to the City within thirty (30)
days of the date of completion of the APPROVED IMPROVEMENTS. That upon
submittal of appropriate receipts paid, any necessary final lien waivers, certified payroll
records of contractors, and verification that the improvements have been completed as
approved by the Community Development Director, the City shall reimburse the actual
costs of the improvements in amounts not exceeding the value stated in Paragraph A
above within a reasonable time thereafter. All such documentation shall be in form
acceptable to the Community Development Director, in compliance with Exhibit B
attached hereto. All work shall be contracted to the lowest responsible bidder after
solicit at least three competitive bids. Any deviation from these requirements shall
require approval of the community Development Director. Owner shall provide copies
of all bids with the project documentation as specified below. For any work that
OWNER or a company owned by OWNER performs, OWNER shall provide both
completed lien waivers and a sworn affidavit in form acceptable to the Community
Development, swearing and affirming that: a) OWNER did in fact perform all such
work in accordance with all applicable building codes and requirements; and, b)
OWNER imposed a charge for such work that was the lowest bid out of not less than
three separate bids for such work. In the event that OWNER fails to incur the
MINIMUM EXPENDITURE, the incentive offered by the City herein shall be reduced
pro-rata based upon that portion of the MINIMUM EXPENDITURE actually paid by
OWNER. In the event that the City requires additional information from the OWNER,
the OWNER shall comply with all such information requests in a timely fashion. In
the event that OWNER is not able to properly document any portion of the costs of
constructing the APPROVED IMPROVEMENTS, any not properly documented cost
shall not be considered towards OWNER’s MINIMUM EXPENDITURE. The City’s
maximum liability under this Agreement shall be the lesser of $25,000 or the amount
which is fifty percent of the properly documented, TIF-eligible cost of the Exterior
Improvements described above. All contractors work shall be done in accordance with
the attached Exhibit C, which shall be appended to each contract for any portion of the
APPROVED IMPROVEMENTS.

6. That all payments or disbursements made by the CITY to the OWNER shall be
considered reimbursements for work completed and paid by Owner, subject to the other
terms and conditions set forth herein, and within the Program Guidelines and standard
City policies.
7. That any outstanding code violations of the property to which the improvements were made must be repaired prior to the CITY releasing funds for reimbursement. Notwithstanding any other provision of this Agreement, the CITY shall make no payments to any person, firm, or corporations who is a debtor to the City of DeKalb or against whom any present circuit court or administrative hearing judgment in favor of City has been entered and remains unpaid. For purposes of this Section 7, for any corporation or corporate entity, any person who is an owner, manager, shareholder, director or officer shall be considered as a component of the corporate entity in order to determine if any judgments or debts are owed to the City.

8. OWNER agrees to maintain all improvements for a period of seven (7) years from the date of reimbursement by the CITY, except for minor changes such as repainting or other maintenance items, or the changing of sign panels and such due to changes in tenants, or the continuation of further improvements to the building, provided said improvements do not conflict with or interfere with the improvements funded by this Program.

9. OWNER agrees that any minor changes or further improvements, as outlined above shall only be made after approval by the Director of Community Development or designee thereof, who may refer the proposed changes to the City Council of the City for final approval. Such approval shall not be unreasonably withheld if the proposed changes do not substantially alter the original design concept of the appearance of the SUBJECT PROPERTY as specified in the plans approved by the Director of Community Development.

10. In the case of conflicting codes, ordinances, rules regulations or guidelines, the City Council of the City shall make a ruling and that ruling shall be final.

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

12. The OWNER agrees that it shall maintain its business operations and ownership rights of the SUBJECT for a period of seven (7) years from the date of reimbursement for work completed as provided herein, as an operational business in the current industry, generating employment and sales tax revenue for the CITY. This Agreement shall be binding upon an inure to the benefit of the CITY and the OWNER, and their heirs, for a period of seven (7) years from the date of reimbursement for work completed as provided for herein.

13. If the OWNER fails to complete or cause the completion of the APPROVED IMPROVEMENTS subject to the terms of this Agreement or fails to comply with any other term of this Agreement, then upon written notice being given by the City Manager to the OWNER, served in person or by certified mail to the address on this Agreement above, this Agreement shall be terminated and the financial obligation on the part of the CITY shall cease and become null and void.
14. If the OWNER removes or fails to maintain all improvements for which reimbursement by CITY is provided under the terms of this Agreement, then upon written notice being given by the City Manager to the OWNER, served in person or by certified mail to the address on this Agreement above, the OWNER agrees to reimburse the CITY for the full amount of funding provided by the CITY under the terms of this Agreement within thirty (30) days of receipt of aforementioned written notice, with the amount of reimbursement owed to the CITY reduced by one-seventh (1/7) of the full amount funded by the City under this Agreement for every one calendar year the improvements resulting from this Agreement and the aforementioned Program are maintained in accordance with the terms of this Agreement after the date of reimbursement by the City.

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

16. This Agreement shall have a term commencing upon the date of execution by both parties, and terminating upon the first to occur of: a) the City’s notice of termination based upon a material breach of this Agreement or the occurrence of one of the conditions justifying termination as outlined herein; or b) the passage of ten years from the date of execution by the City.

17. OWNER shall provide the City with an executed Corporate Undertaking, Mortgage and Note in form and content acceptable to the City at the time of payment of the City’s reimbursement. Said documents shall be recorded against the PROPERTY.

18. This Agreement shall constitute the entirety of the agreement between the parties and no previous draft, note or discussion shall contravene any provision hereof. Any modification to this Agreement shall be effective only if in writing, signed by both parties. Any dispute arising out of the performance of this Agreement shall have its jurisdiction and venue exclusively fixed in the Twenty-Third Judicial Circuit Court of DeKalb County, Illinois.

19. OWNER acknowledges that the CITY is not responsible for the means, performance or construction of any improvements and its sole involvement is the provision of an incentive following construction of the improvements. OWNER shall maintain in full force and effect liability insurance with limits of not less than $1,000,000 per occurrence during the term of construction of its improvements. OWNER shall be responsible for any and all damages to property or persons arising out of an error, omission, or negligent act in the prosecution of the work or failure to prosecute the work and shall indemnify and hold harmless the City, its officers, agents, and employees from all suits, claims, actions or damages of any nature whatsoever resulting therefrom. OWNER shall assume all restitution and repair costs arising out of an error, omission and/or negligence. OWNER agrees to indemnify and save harmless the City, including its elected or appointed officials, employees, attorneys and agents
(collectively, the "City Indemnitees") against any and all claims, loss damage, injury, liability, and court costs and attorney’s fees incident thereto, including any claims made by employees of the OWNER or any of their subcontractors, as well as all other persons, resulting directly or indirectly from the work covered by this contract or the equipment used in connection therewith. It is understood that this agreement shall apply to any and all such claims whether resulting from the negligence or the intentional acts of the OWNER, the OWNER’s employees, contractors or subcontractors, the City or City Indemnitees or otherwise, with the single exception of any claim, damage, loss, or expense arising solely out of the intentional misconduct of the City or City Indemnitees. The OWNER is solely responsible for determining the accuracy and validity of any information provided to the OWNER by the City or its representatives. This indemnification shall apply to the fullest extent of the law, and in the event that any provision hereof is determined to be unenforceable, the indemnification obligations shall be severable and the fullest extent of indemnification that may lawfully apply shall remain in full force and effect. This indemnification shall include any claims arising out of the erection, construction, placement or operation of any scaffold, hoist, crane, stay, ladders, support or other mechanical contrivance in connection with such work including but not limited to losses, claims, damages and expenses arising pursuant to claims asserted against the City pursuant to theories premised upon Section 414 or Section 343 of the Restatement (Second) of Torts. This indemnification shall not be limited in any way by limitations on the amount or type of damages, compensation, or benefits payable by or for the OWNER under Workers’ Compensation Acts, disability benefit acts, or other employee benefit acts, and serves as an express agreement to waive the protection of Kotecki v. Cyclops Welding Corp, 146 Ill.2d 155 (1991) in Illinois.

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

CITY OF DEKALB, ILLINOIS
A Municipal Corporation

[Signature]
John Roy, Mayor

[Seal]

[Signature]
Jennifer Jeep Johnson, City Clerk

SAMUEL & NUK, INC.

[Signature]
Samuel Wong, Owner
Exhibit 1
Approved Plans
EXISTING WALL MOUNTED FIXTURES TO REMAIN (4) FIXTURES

NEW SIGNAGE

NOTE
REPLACE EXISTING FLUORESCENT FIXTURE, CONDUIT AND JUNCTION BOXES TO REMAIN FOR NEW SIGN LIGHTING,
VERIFY WITH ELECTRICAL CONTRACTOR.

THAI PAVILION

REVISED SOUTH ELEVATION

SCALE: 0.75" = 1'-0"

REFERENCE SOUTH ELEVATION SHEET #1 OF ARCHITECTURAL CONSTRUCTION DOCUMENTS DATED 11/4/2016 FOR NOTES NOT SHOWN

LEGEND

EXISTING LIMESTONE - TO REMAIN
NEW SIGNAGE SUPPORT SUBSTRATE, VERIFY SUBSTRATE MATERIAL WITH SIGN CONTRACTOR, VERIFY SIGNAGE SUPPORT CONNECTIONS TO EXISTING FACADE WITH SIGN CONTRACTOR, SEE "SIGNAGE PERMIT" NOTE ON SHEET #1 OF THE ARCHITECTURAL CONSTRUCTION DOCUMENTS.

EXISTING FABRIC AWNING - TO REMAIN
NEW FABRIC AWNING - MATCH EXISTING AWNING AT ADJACENT (URBAN GRACE) TENANT SPACE.

EXISTING GRANITE - TO REMAIN

REVISED SOUTH ELEVATION

FOR NEW SIGNAGE DESIGN
FOR THE THAI PAVILION

ROBERT SCHRAW
ARCHITECT
3005 N. ILL. ROUTE 23
MARENGO, ILL. 60152
(815) 568-8287
Exhibit 2:
Format Requirements for Eligible Expenses

- **Applicants/Recipients are responsible for identifying and complying with all applicable laws, ordinances and regulations.**

- The Illinois Prevailing Wage Act is applicable to all work performed on-site (where required under Illinois law). Prevailing Wage compliant certified wage records are required for all such work, where the Act applies. If Prevailing Wage is required and a single contractor does not pay Prevailing Wage, the entire process can be rendered ineligible for City assistance.
  - If a Contractor performs some work off-site and some work on-site, all on-site work that is subject to the Act must be Prevailing Wage work. For example, if a contractor manufacturers a sign off-site and then brings it to the site and installs it, the installation work must all be done in compliance with Prevailing Wage and certified payroll records must be provided. The Project Owner is responsible for determining and verifying compliance with the Prevailing Wage Act.
  - Final waivers of lien must also be provided for all contractors, suppliers and materialmen.
  - Applicants will be required to indemnify and hold harmless the City from any claim arising under the Prevailing Wage Act, or arising out of Applicant's violation of any other applicable law or regulation.

- **Final Project Costs must be documented in a tabbed binder in accordance with these regulations.**
  - The first section must include a notarized affidavit from the Applicant affirming that all information provided is complete and accurate, and affirming that all work was done in accordance with these Guidelines and all applicable laws.
  - The second section must include a spreadsheet generated by the Applicant, including all project costs that are a component of the project, broken down by vendor. All amounts listed in this spreadsheet must match the corresponding contractor invoices described below.
  - If property acquisition is included in the project costs, the third section must include a copy of the closing statement and deed for the property.
  - Subsequent sections should be separately tabbed by contractor. Each contractor tab should start with a spreadsheet generated by the Applicant that includes the totals from each invoice, and should be followed by a complete set of prevailing wage records, final waivers of lien, and invoices.
  - Applicants may include a Miscellaneous Expenses tab in the binder for small project expenses.
  - Credit Card Statements are not adequate to evidence expenditures. All small expenditures require actual receipts showing the expenditures. The City reserves the right to require Applicants to provide written documentation explaining any expenditure.
  - Building permits are eligible expenditures. Ineligible expenditures include: food, fuel, beverages, utility bills, web design, merchandise for stock or supply,
membership dues, life insurance, or other personal expenses. The City reserves the right to disqualify any expense.

- Once an invoice is submitted, the invoice cannot be withdrawn or retracted, and the scope of work described on the invoices cannot be altered. For this reason, it is critical to ensure that these guidelines are complied with.

- The City shall also be provided with an electronic copy of all submittals, in PDF format, separated into sections as outlined above.

- Owner shall also provide a copy of all bids received for work on the project, to document that is selected the lowest responsible bidder out of not fewer than three bids.
Exhibit 3:
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).

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 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.

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. The Bidder further certifies that it maintains a substance-abuse program and provide drug testing in accordance with 820 ILCS 130/11G, Public Act 095-0635

**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).

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

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

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

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

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

General Compliance and Certification: The Bidder certifies that it has and will comply with all other applicable laws, regulations, ordinances or restrictions applicable to any component of the bidding process, agreement, or any services or materials provided in connection therewith. 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.
doing business as a (check one): ___ Individual ___ Real Estate Agent ___ Sole Proprietorship ___ Government Entity ___ Partnership ___ Tax Exempt Organization (IRC 501(a) only) ___ Corporation ___ Not for Profit Corporation ___ Trust or Estate ___ Medical and Health Care Services Provider Corp.

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

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

General Compliance and Certification: The Bidder certifies that it has and will comply with all other applicable laws, regulations, ordinances or restrictions applicable to any component of the bidding process, agreement, or any services or materials provided in connection therewith. 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.
Exhibit B

Architectural Improvement Program Guidelines

Program Overview and Guidelines

Purpose

The Architectural Improvement Program is designed to aesthetically enhance the marketplace environment and promote quality investment, use, and sustainability of commercial buildings within the City by making funds available for appropriate exterior rehabilitation. This program, provided as matching funds, has been approved by the DeKalb City Council in recognition of the positive impact that architectural improvement can have on the overall appearance, quality and vitality of commercial properties. The City of DeKalb earmarks $150,000 in funding annually for this program, split equally between properties which reside in two geographic areas – within a Tax Increment Financing (TIF) district and outside a TIF district.

Standard Project Funding

Approved projects will be funded as Standard AIP Projects and are considered on a case-by-case basis. Standard Projects will be provided with up to $25,000 in matching funding on a dollar-for-dollar (1:1) basis based on the project impact and qualified improvements. However, the DeKalb City Council may consider higher matching fund participation if the project is attributable to a property of notable historical significance or the total project costs exceed $50,000. Funding is subject to final approval by the DeKalb City Council.

Traditional – For those projects which are located within one of the City’s two Tax Increment Financing Districts (TIF), funding for standard projects is provided as reimbursement after all project costs have been prepaid, as a forgivable loan subject to a standard legal agreement, mortgage, and promissory note with the City of DeKalb.

For those projects which are located outside of the City’s two Tax Increment Financing Districts, buildings must be at least 20 years old. Funding for standard projects is provided as reimbursement after all project costs have been prepaid, as a sales tax rebate subject to a standard legal agreement with the City of DeKalb.

Title Company Option – This option applies only to projects which are located within one of the City’s two Tax Increment Financing Districts. Funding for standard projects is divided 50/50 and is required to be deposited into an escrow account, by both the applicant and the City of DeKalb, with a title company of the applicant’s choice prior to the commencement of the project. The applicant is required to pay all associated title company fees. The title company requires the applicant to complete a contractor’s affidavit which itemizes material purchases and
contractors/subcontractors hired for the project prior to commencement of the project and will disperse funds upon receipt of submitted final waivers of lien from this pool directly to the contractor(s). This funding option is considered a forgivable loan subject to a standard legal agreement, mortgage, promissory note, and disbursement agreement with the City of DeKalb.

**Standard Project Provisions and Restrictions**

This program provides up to $25,000 in matching funds for architectural improvements to commercial buildings in DeKalb. The key points of this program, to which all Applicants should pay close attention, are as follows:

1. **This is a matching fund program.** The City of DeKalb will provide up to $25,000 per project in a dollar-per-dollar match to private funds provided by property/business owners. However, the DeKalb City Council may consider higher matching fund participation if the project is attributable to a property of notable historical significance or the total project costs exceed $50,000.

2. **The Traditional Funding Option is a reimbursement program.** All payments to contractors, suppliers, architects etc., must be paid in full by the Applicant and final waivers of lien and certified payroll records must be submitted to the City of DeKalb before reimbursement can be provided.

The Title Company Option is matching deposit program and is only available to projects which reside within one of the City’s TIF districts. Both the applicant and City of DeKalb deposit their 50% of the approved project costs with a title company. Disbursement of the funds by the title company will be contingent upon a ratified disbursement agreement and receipt of final waivers of lien and certified payroll records from contractors, material suppliers, etc. who worked on the project. The City of DeKalb must sign off on all completed improvements of the project prior to disbursement of funds.

3. **Because this program provides relatively large amounts of public funds to private individuals, all parties have a responsibility to ensure that funds are spent in a manner that will improve both the appearance and the value of downtown properties. Therefore a formal application process has been instituted.** This application process involves the following:

   a) Individuals are strongly encouraged to consult with the City of DeKalb, Inc. prior to submitting an application. Prior consultation allows the City of DeKalb to informally discuss proposed projects with Applicants, can provide potential Applicants with a better understanding of the program, and can provide potential Applicants with useful information and resources for their project.

   b) A formal application for funding is required. This application must include a detailed and understandable explanation of the proposed project, detailed monetary estimates or bids from contractors for the specific work to be performed, photo documentation and/or drawings as appropriate, and a justification for the merits of the project. All contractors must comply with all aspects of the Illinois Department of Labor Prevailing Wage Act 95-0515.

   c) Prevailing wages must be paid for all labor performed. Documentation from the
contractor demonstrating compliance with the prevailing wage regulations is required. AIP hereby certifies it shall comply with all required public bidding provisions for projects where the City of DeKalb's matching portion is in excess of $20,000. Projects where the City of DeKalb's matching portion is below $19,999 are required to obtain a minimum of two estimates or bids for each individual portion of the project, unless specifically permitted otherwise by the City of DeKalb.

d) The application is subject to review by the AIP Committee. In the vast majority of cases, this will consist of a cooperative and interactive session involving the Applicant and the committee or representatives of the committee, in which the proposed work is discussed, analyzed and suggestions for possible alterations/improvements to the project made.

e) An important and major criterion of the review process is whether the proposed architectural changes will improve and enhance the appearance and/or structural integrity of the building, in the context of the current status of the building and its architectural form.

f) Following review by the AIP Committee, the committee makes a recommendation for funding (or denial of funding) to the City Council. Recommendations for funding are then considered by the City Council, which has the ultimate authority to approve or deny funding for any particular project.

g) Once funding is approved by the City Council, the Applicant will enter into a legal agreement with the City of DeKalb. This agreement stipulates that the Property Owner will maintain the improvements for a minimum period of five (5) years in exchange for funding from the City. Funding is provided in one of two methods, depending on the geographic location of the project.

For projects that are located in one of the City's two TIF districts:
Funding is provided as a forgivable loan (i.e. the City “forgives” 20% of the value of the matching funds each year). This agreement also stipulates the Applicant has one (1) calendar year from the time the approval is granted for all work to be completed and final waiver of liens submitted to the City of DeKalb. Final waivers of lien submitted after this point will be denied reimbursement.

For projects that are located outside of the City’s two TIF districts:
Funding is provided as a sales tax rebate. The City agrees to rebate up to 50% of the sales tax revenues generated over and above what was generated by the business the year prior to the completion of the improvements (the increment) for a period of up to 5 years or the amount of the funding approved, whichever occurs first. This agreement also stipulates the Applicant has one (1) calendar year from the time the approval is granted for all work to be completed and final waiver of liens submitted to the City of DeKalb. Final waivers of lien submitted after this point will be denied reimbursement. Applicant must comply with all City of DeKalb Public Works required codes and permitting procedures prior to and during construction. Additionally, all projects that will take place in the public rights of way (sidewalk, parking lane, parking lots, driving lanes, etc) must complete a traffic control plan to be reviewed by Public Works and the City of DeKalb. Projects within the public right-of-way may require additional approval from the Illinois Department of
Transportation (IDOT). The IDOT approval process can take several weeks. If IDOT approval is required no work should commence in the public right-of-way until approval is granted. The Applicant will be notified of all right-of-way requirements before final project approval is granted by the City of DeKalb.

h) All of the above steps “(a) through (g)” MUST be completed PRIOR to beginning construction. Because public tax dollars are being employed to subsidize improvements to privately-owned buildings, the City of DeKalb requires complete review and approval of all aspects of a project prior to commencing construction. This includes submission of an application, review of that application by the AIP Committee, submission of a recommendation for funding to City Council by the AIP Committee, a vote to approve funding by the City Council, and completion of the legal agreement and if required by the funding option, a mortgage, and promissory note between the Applicant and the City. Applicants who commence work prior to formal approval for funding by the City Council are subject to complete or partial denial of matching funds, especially if unapproved work is performed. The City Council will deny funding for any project where work is commenced prior to the City Council having voted to provide matching funds.

i) During construction, it is important that the Applicant and contractor maintain regular and clear communication with the City of DeKalb and the AIP Committee. This is especially critical when unanticipated features are discovered or uncovered that may have architectural or design significance. While the City of DeKalb recognizes that construction work must often adhere to a tight schedule, adherence to guidelines requires consultation with the City Staff or the AIP committee prior to altering construction plans or when unanticipated materials are discovered.

j) Upon completion of the work, the project will be inspected by the City Building and Code Enforcement Department, and by the Architectural Improvement Committee for compliance.

k) Upon completion of all work proposed, the Applicant must submit final waivers of lien, certified payroll records, and other documentation that the work is complete to the City of DeKalb Economic Development Department for processing. Receipts should be itemized in order to distinguish categories of work completed and work relevant to the proposal. Only those expenses that were approved by the AIP Committee and the DeKalb City Council are eligible for reimbursement.

l) The City of DeKalb shall have up to thirty working days to disburse reimbursement upon receipt of all necessary documentation, subject to standard City of DeKalb policies and procedures.

4. Only property owner(s) are considered eligible to apply for this program. Tenants are encouraged to partner with property owners to create projects. The property owner must fully comply with the guidelines and full requirements of the program, including the application and review procedure, the terms of any agreements or liens on the property, the actual construction, the payment request procedure, and any other guidelines, requirements or procedures. The City of DeKalb is not responsible for any incidental costs incurred by the Applicant that may have been necessary for compliance with this program.
5. The funding is provided per building. In those cases where a single building has multiple addresses, the entire building will be considered a single building, unless the City Council determines that the size and scope of the project merit additional funds.

6. Installation of eligible signage may be funded under this program, with matching funding costs not to exceed 25% of the overall matching costs of the project, or $1,000, whichever is less. Furthermore, any signage must be approved by the City of DeKalb AIP Committee and comply with the City of DeKalb’s sign ordinance.

7. Because of the limited funds for this program, the City Council will only provide matching funding to those requests which are recommended by the City of DeKalb’s AIP Committee, and which adhere to the spirit of the program. In evaluating projects, priority will be placed on the projects that result in the greatest positive impact on the appearance of the individual building and/or on that of the downtown and surrounding area as a whole. Because the program involves matching funding, proposed improvements may be held to a higher standard.

8. Final decisions on funding are made by the City Council. Availability of funding is dependent on the amount authorized for the program in any given fiscal year. The City Council maintains the right to deny funding to any request, as well as the right to reduce the amount of funding for any proposal, regardless of the amount requested. The City Council will make the final determination of the eligibility for each request.

9. Approval by the City Council does not authorize initiation of the project. If building permits or other permits are required, they must be obtained prior to the commencement of the project.

10. To be eligible for funding under the Architectural Improvement Program, existing commercial buildings in must be located in the following geographic areas:

- Commercial buildings in the traditional CBD (Central Business District).
- Commercial buildings in the City’s Tax Increment Finance Districts
- Commercial buildings outside the City’s Tax Increment Districts that are 20 years old, or older.

11. As part of this approach, Applicants are also expected to commit to maintaining the improvements that they choose to install. The City and the Applicant will sign an agreement that is valid for five years, setting forth the improvements to be completed and the portion funded by the City. The Applicant will agree to maintain such improvements for the term of the agreement except for minor changes that would be allowed. Minor changes would include such as changing signs (e.g. if the nature of the business changes). The agreement will outline the terms of a forgivable loan program or sales tax rebate program. If in any year within five years of the improvements being completed, they are removed or changed without Council permission, the balance of the forgivable loan funds provided will be returned to the City or the sales tax rebate will cease. This agreement would bind not only the Applicant but also any successors or assignees within the five year period.

12. A building is not eligible to receive additional funds until all previous ATP loans have been forgiven. Therefore, buildings will only be eligible to receive funding once every five years. This ensures that all improvements have been maintained and program requirements have
been met.

Eligible Improvements

Specific improvements will be reviewed on a case-by-case basis during the application process. The improvements must meet the goal of this program. The goal is to provide a unified, welcoming appearance to commercial properties and yet still explore the diverse architectural styles that exist throughout the City. This does not mean that each building should look the same but rather that buildings in the commercial areas relate harmoniously to each other in terms of proportion, materials, color, and also reflect the area’s architectural heritage. Each building represented in the variety of architectural styles in DeKalb should be considered in terms of its own stylistic integrity as well as its contributions to the overall pattern of the district.

Many improvements, such as those listed below, will be eligible:

- Restoration of original facade materials.
- Painting, tuckpointing, installation of shutters and awnings.
- Installation of eligible signage.
- Repair or replacement of eligible windows, doors, walls or appurtenances (stairs, porches, railings).
- Removal of inappropriate facades or appurtenances.
- Items required for code compliance, such as handicap accessibility improvements, step repair, removal of dangerous appurtenances, changes in door swings or widths, especially if said improvements will lead to an improved appearance.
- Window glazing and storm windows.
- Building cleaning using appropriate methods.
- Architect’s fees or other professional design services (up to 10% of total project costs).

This program is not aimed at providing financial assistance to projects that are strictly in violation of code compliance. Code compliance items and other improvements that do not strongly add to the visual appearance may not receive funding. All applications that contain code compliance items will be reviewed by the City of DeKalb Public Works Department for input and approval. If a code violation has been issued the committee reserves the right to deny funding or reduce the normal 1:1 match.

Ineligible Improvements

Some projects are not eligible for this program because the result either will not improve the appearance of the building, or are considered standard building maintenance. Examples are:

- Repair or replacement of roofing materials, etc., unless such items constitute a highly visible and architecturally significant aspect of the building appearance.
- Incidental expenses and fees, such as building permit fees, estimate preparation fees.
- Typical building maintenance items, such as roof sealing or weather stripping.
- Any abrasive cleaning methods that would result in permanent damage to the building surface or materials.
- Interior improvements.
PROMISSORY NOTE

DeKalb, Illinois  January 26, 2017

On January 26, 2017, for value received, SAMUEL & NUK, INC., hereby promises to pay in lawful money of the United States, to the order of the CITY OF DEKALB at 200 South Fourth Street, DeKalb, Illinois, the principal sum of Twenty-Five Thousand Dollars ($25,000.00). Repayment hereof shall be subject to the terms and conditions of that certain Developer Agreement by and between said Samuel & Nuk, Inc., and the City of DeKalb, executed on January 26, 2017, relating to the development of the property commonly known as 251 and 255 East Lincoln Highway, DeKalb, Illinois. The repayment terms of this Note shall be governed by the provisions of the Developer Agreement.

This Note shall be secured by a Mortgage providing the payee with a lien on certain real property commonly known as 251 and 255 East Lincoln Highway, DeKalb, Illinois, and more fully described on Exhibit A attached hereto.

Samuel & Nuk, Inc.

By: __________

Samuel Wong, President
Exhibit A

LOTS 62 AND 63 IN COUNTY CLERK’S SUBDIVISION OF BLOCK 12. ACCORDING TO THE PLAT THEREOFRecordedinBOOK “C”OFPLATS,PAGE42,ONSEPTEMBER 15, 1902. IN THE CITY OF DEALB, IN DEKALB COUNTY, ILLINOIS.

THIS IS NOT A HOMESTEAD PROPERTY

The property or its address is commonly known as 251 AND 255 EAST LINCOLN HIGHWAY, DEKALB, IL 60115. The property tax identification number is 08-23-159-024-0000.
COMPANY UNDERTAKING
for
SAMUEL & NUK, INC.

WHEREAS, the company known as Samuel & Nuk, Inc., is a duly recognized and active
corporation organized and doing business in the State of Illinois; and

WHEREAS, the Company is governed by written Bylaws, which provide that the
President of said Company may act on behalf of the company in the capacity herein contemplated;

NOW, THEREFORE:

BE IT RESOLVED this ___ day of ___, 2017, that the undersigned,
being a duly appointed and acting President of the Company, authorizes the Company to execute
any and all documents pursuant to that certain Developer Agreement with the City of DeKalb
regarding the property known as 251 and 255 East Lincoln Highway in DeKalb, Illinois, including,
but not limited to, promissory note(s), security agreement(s), line(s) of credit, mortgage(s) and all
other loan or financing documents to enable the Company to fulfill its obligations pursuant to said
Developer Agreement and to permit and enable the City of DeKalb to perfect any and all liens on
the assets and property commonly known as 251 and 255 East Lincoln Highway, DeKalb, Illinois.

\[signature\]
Samuel Wong
President
Samuel & Nuk, Inc.
MORTGAGE

Prepared by:
RETURN TO: Dean Freders, City Attorney
Jenny Jeep Johnson, City Clerk
City of DeKalb
200 S. Fourth Street
DeKalb IL 60115

THIS MORTGAGE, dated this ___ day of February, 2017, by SAMUEL & NUK, INC., an Illinois corporation ("Mortgagor"), WITNESSETH:

WHEREAS, Mortgagor has executed a Promissory Note in the principal sum of Twenty-Five Thousand Dollars ($25,000.00) payable to the City of DeKalb, ("Mortgagee"), dated the same date as this Mortgage, whereby Mortgagee is entitled to recover from Mortgagor certain expenses, costs, and advances in connection with Mortgagor’s development work on the Premises;

THAT to secure the payment of the indebtedness evidenced by said Promissory Note, Mortgagor does by these presents GRANT and MORTGAGE unto Mortgagee, the real estate situated in the County of DeKalb, and State of Illinois, legally described as follows:

[see legal description attached as Exhibit A]

PROPERTY INDEX NO.: 08-23-159-024

which is referred to herein as the “Premises”;

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

Further, Mortgagor does hereby pledge and assign to Mortgagee, from and after the date hereof, primarily and on a parity with said real estate and not secondarily, all the rents, issues and profits of the premises and all rents, profits, revenues, royalties, bonuses, rights and benefits due, payable or accruing, and all deposits or money as advance rent or for security, under any and all present and future leases of the premises, and does hereby transfer and assign all such leases to Mortgagee together with the right, but not the obligation, to collect, receive and receipt for all avails thereof, to apply then to said indebtedness and to demand, sue for and recover the same when due or payable. Mortgagee by acceptance of the Mortgage agrees, as a personal covenant applicable to Mortgagor only, and not as a limitation or condition hereof and not available to any lessee or tenant, that until a default shall be made or an event shall occur, when under the terms hereof shall give to Mortgagee the right to foreclose this Mortgage, Mortgagor may
collect, receive and enjoy such avails.

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

Mortgagor covenants and agrees:

1. To pay or cause to be paid, when due, all sums secured hereby.

2. Not to abandon the premises; to keep the premises in good condition and repair and not to commit or suffer waste; to pay for and complete within a reasonable time any building at any time in the process of erection upon the premises; to promptly repair, restore or rebuild any building or improvement now or hereafter on the premises which may become damaged or destroyed; to refrain from impairing or diminishing the value of the security; to make no material alterations of the premises.

3. To comply with all requirements of law or local government ordinances governing the premises and the use thereof; and to permit Mortgagee, or their agents, to inspect the premises at all reasonable times.

4. To keep the premises free from mechanics, or other liens or claims for liens of any kind; to pay or cause to be paid, when due, any indebtedness which may be secured by a lien or charge on the premises; and, upon receipt, to exhibit to Mortgagee satisfactory evidence of the payment and discharge of such liens or claims.

5. To pay, or cause to be paid, before any penalty attaches, all general taxes and to pay, or cause to be paid, when due, all special taxes, special assessments, water charges, drainage charges, sewer service charges and other charges against the premises, of any kind whatsoever, which may be levied, assessed, charged or imposed on the premises, or any part thereof.

6. To promptly pay all taxes and assessments assessed or levied under and by virtue of any state, federal or local law or regulation hereafter passed, against Mortgagee upon this Mortgage or the debt hereby secured, or upon their interest under this Mortgage.

7. To exhibit to Mortgagee, annually upon request, official receipts showing full payment of all taxes, assessments and charges which Mortgagor is required, or shall elect, to pay or cause to be paid hereunder.

8. To keep the premises continuously insured, until the indebtedness secured hereby is fully paid against loss or damage under such types of hazard and liability insurance and in such forms, amounts and companies as may be approved or required from time to time by Mortgagee (in the absence of any specified requirements, such insurance shall be under policies providing for payment by the insurance companies of moneys sufficient either to pay the full cost of replacing or repairing the premises or to pay in full the indebtedness.
secured hereby); all policies whether or not required by the terms of this Mortgage, shall contain loss payable clauses in favor of Mortgagor (or, in case of foreclosure sale, in favor of the owner of the certificate of sale); in the event of loss, Mortgagor shall immediately notify Mortgagor in writing and Mortgagor hereby authorizes and directs each and every insurance company concerned to make payments for such loss directly and solely to Mortgagor (who may, but need not, make proof of loss) and Mortgagor is hereby authorized to adjust, collect and compromise, in their discretion, all claims under all policies, and Mortgagor shall sign, upon demand by Mortgagor, all receipts, vouchers and releases required by the insurance companies and the insurance proceeds, or any part thereof, may be applied by Mortgagor, at their option, either to the reduction of the indebtedness hereby secured or to the restoration or repair of the property damaged, and any application thereof to the indebtedness shall not relieve Mortgagors from making the payments herein required until the indebtedness is paid in full. Mortgagor may, from time to time, at their option, waive and, after any such waiver, reinstate any or all provisions hereof requiring deposit of insurance policies, by notice to Mortgagor in writing.

9. (a) To deliver to Mortgagor, all policies of insurance with evidence of premiums prepaid (renewal policies to be delivered not less than ten (10) days prior to the respective dates of expiration), and all abstracts of title, title guarantee policies, and other evidence of title to the premises, all of which shall be held by Mortgagor without liability, and in the event of foreclosure of this Mortgage or transfer of title to the premises in extinguishment of said indebtedness, shall become the absolute property of Mortgagor.

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

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

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

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

11. If (a) default be made in payment, when due, of any sum secured hereby, or in any of the other covenants or agreements herein contained to be performed by Mortgagor herein or in the Agreement, or (b) if any proceedings be instituted or process issued (i) to enforce any other lien, charge or encumbrance against the premises, or (ii) to condemn the premises or any part thereof for public use, or (iii) against Mortgagor or any beneficiary thereof under any bankruptcy or insolvency laws, or (iv) to place the premises or any part thereof in the custody of any court through their receiver or other officer, and such proceedings are not dismissed or stayed on appeal or such process withdrawn within Ten (10) days after written notice to Mortgagor; or (c) if Mortgagor makes any assignment for the benefit of creditors, or are declared bankrupt, or if by or with the consent or at the instance of proceedings to extend the time of payment of the Note or to change the terms of this Mortgage be instituted under any bankruptcy or insolvency law; then:

(a) All sums secured hereby shall, at the option of Mortgagee, become immediately due and payable without notice, with interest thereon, from the date of the first of any such defaults, at the penalty rate; and

(b) Mortgagee may immediately foreclose this Mortgage. The Court in which any proceedings is pending for that purpose may, at once or any time thereafter, either
before or after sale, without notice to Mortgagor, and without requiring bond, and without regard to the solvency or insolvency of any person liable for payment of the indebtedness secured hereby, and without regard to the then value of the premises, or whether the same shall be occupied as a Homestead, appoint a receiver (the provisions for the appointment of a receiver and assignment of rents being an express condition upon which the loan hereby secured is made), for the benefit of Mortgagee or place Mortgagee in possession under the terms of the applicable statute of the State of Illinois, with power to collect the rents, issues and profits of the premises, due and to become due, during such foreclosure suit and the full statutory period of redemption notwithstanding any redemption. The receiver or Mortgagee in possession, out of such rents, issues and profits when collected, may pay costs incurred in the management and operation of the premises, prior and coordinate liens, if any, and taxes, assessments, water and other utilities and insurance, then due or thereafter accruing, and may make and pay for any necessary repairs to the premises, and may pay all or any part of the indebtedness secured hereby or any deficiency decree; and

(c) Mortgagee shall, at their option, have the right, acting through themselves, their agents or attorneys, either with or without process of law, forcibly or otherwise, to enter upon and take possession of the premises and property, expel and remove any persons, goods or chattels, occupying or upon the same, and to collect or receive all the rents, issues and profits thereof, and to manage and control the same, and to lease the same or any part thereof from time to time, and after deducting all reasonable attorney's fees and all operation of the premises, apply the remaining net income upon the indebtedness secured hereby, or upon any deficiency decree entered by virtue of any sale held pursuant to a decree of foreclosure.

12. In any foreclosure of this Mortgage, there shall be allowed and included in the decree for sale, to be paid out of the rents or proceeds of such sale:

(a) All principal and interest remaining unpaid and secured hereby;

(b) All other items advanced or paid by Mortgagee pursuant to this Mortgage with interest at the penalty rate from the date of advancement;

(c) All court costs and fees, attorneys' fees, appraiser's fees, expenditures for documentary and expert evidence, stenographer's charges, publication costs and coats (which may be estimated as to items to be expended after entry of the decree) of procuring all abstracts of title, title searches and examinations, title guarantee policies, and similar data with respect to title, as Mortgagee may deem necessary. All expenditures and expenses of the type mentioned in this subparagraph (c) shall become so much additional indebtedness secured hereby and immediately due and payable, with interest at the same rate as shall accrue on the principal balance when paid or incurred by Mortgagee, in connection with (i) any proceedings, including probate and bankruptcy proceedings to which Mortgagee shall be a party, either as
plaintiff, claimant or defendant, by reason of this Mortgage or any indebtedness hereby secured; or (ii) preparations for the commencement of any suit for the foreclosure hereof after accrual of such right to foreclose whether or not actually commenced; or (iii) preparations for the defense of security hereof, whether or not actually commenced. The proceeds of any foreclosure sale shall be distributed and applied to the items described in subparagraph (a), (b) and (c) in order of priority inversely to the manner in which said subparagraphs are above listed and any surplus of the proceeds of such sale be paid to Mortgagor.

13. No remedy or right of mortgagee shall be exclusive of, but shall be in addition to, every other remedy or right now or hereafter existing at law or in equity. No delay in exercising, or omission to exercise, any remedy or right accruing on default shall impair any such remedy or right, or shall be construed to be a waiver of any such default, or acquiescence therein, nor shall it affect any subsequent default of the same or a different nature. Every such remedy or right may be exercised concurrently or independently, and when and as often as may be deemed expedient by Mortgagee.

14. Without affecting the liability of Mortgagor or any other person (except any person expressly released in writing) for payment of any indebtedness secured hereby or for performance of any obligation contained herein, and without affecting the rights of Mortgagee with respect to any security not expressly released in writing, Mortgagee may, at any time and from time to time, either before or after the maturity of said note, and without notice or consent:

(a) Release any person liable for payment of all or any part of the indebtedness or for performance of any obligation.

(b) Make any agreement extending the time or otherwise altering the terms of payment of all or any part of the indebtedness or modifying or waiving any obligation, or subordinating, modifying or otherwise dealing with the lien or charge hereof.

(c) Exercise or refrain from exercising or waive any right Mortgagee may have.

(d) Accept additional security of any kind.

(e) Release or otherwise deal with any property, real or personal, securing the indebtedness, including all or any part of the property mortgaged hereby.

15. Upon full payment of all sums secured hereby at the time and in the manner provided, then this conveyance shall be null and void and within Thirty (30) days after written demand therefor a re-conveyance or release of the premises shall be made by Mortgagee to Mortgagor.

16. All provisions hereof shall inure to and bind the respective heirs, executors, administrators, successors, vendees and assigns of the parties hereto, and the word "Mortgagor" shall
include all persons claiming under or through Mortgagor and all persons liable for the payment of the indebtedness or any part hereof, whether or not such persons shall have executed the Note or this Mortgage. Whenever used, the singular number shall include the plural, and the plural the singular, and the use of any gender shall be applicable to all genders.

17. That this Mortgage cannot be changed except by an agreement in writing, signed by the party against whom enforcement of the change is sought.

18. This lien may be subordinated with the written consent of the City Manager.

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

SAMUEL & NUK, INC.

By: [Signature]

Samuel Wong, President

STATE OF ILLINOIS  
COUNTY OF DEKALB  

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, do hereby certify that Samuel Wong, President of Samuel & Nuk, Inc. an Illinois corporation, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such Manager, appeared before me this day in person and acknowledged that he signed and delivered said instrument as his own free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein set forth; and the same Manager then and there acknowledge that he did affix the seal of said company to said instrument as his own free and voluntary act and as the free and voluntary act of said company, for the uses and purposes therein set forth.

Given under my hand and notarial seal this 1st day of February, 2017.

[Signature]

Notary Public
Exhibit A
Legal Description

LOTS 62 AND 63 IN COUNTY CLERK'S SUBDIVISION OF BLOCK 12. ACCORDING TO THE PLAT THEREOF RECORDED IN BOOK "C" OF PLATS, PAGE 42, ON SEPTEMBER 15, 1902, IN THE CITY OF DEARBORN, IN DEKALB COUNTY, ILLINOIS.

THIS IS NOT A HOMESTEAD PROPERTY

The property or its address is commonly known as 251 AND 255 EAST LINCOLN HIGHWAY, DEKALB, IL 60115. The property tax identification number is 08-23-159-024-0000.
I, RUTH A. SCOTT, do hereby certify that I am the duly appointed Deputy City Clerk of the City of DeKalb, DeKalb County, Illinois, and as such officer, I am the keeper of the records and files of the City Council of said City.

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

RESOLUTION 2017-029

AUTHORIZING AN ARCHITECTURAL IMPROVEMENT PROGRAM (AIP) ECONOMIC INCENTIVE FOR SAMUEL & NUK, INC., 251-255 EAST LINCOLN HIGHWAY, DEKALB, ILLINOIS.

PASSED BY THE CITY COUNCIL of the City of DeKalb, Illinois on the 23rd day of January, 2017, and the original is now on file at the City of DeKalb Municipal Building.

WITNESS my hand and the official seal of said City this 19th day of July, 2017.

Prepared by and Return to:

Deputy City Clerk Ruth Scott
City of DeKalb
200 South Fourth Street
DeKalb, IL 60115