

ORDINANCE NO. 759

VILLAGE OF BELLEVUE, ILLINOIS

AN ORDINANCE APPROVING REDEVELOPMENT AGREEMENT

WHEREAS, Section 11-74.4-4 of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-4) provides that no agreement regarding the development of land shall be made except upon the adoption of an ordinance by the corporate authorities;

WHEREAS, the Village of Bellevue, Illinois (the "Village") has, pursuant to statute, designated a redevelopment project area known as the Bosch Road Redevelopment Project Area (the "Bosch Road TIF") and approved a redevelopment plan for such area;

WHEREAS, the Village has received a proposal from Phillips Investments, LLC – Bellevue Facility Series (the "Developer") whereby the Developer proposes to purchase certain real estate at the northeast corner of Dirksen Parkway and Bosch Road (PIN: 17-14-152-003 and 009) within the Bosch Road TIF (the "Project Site"), which is expected to generate substantial tax revenue and employment opportunities;


BE IT ORDAINED BY THE PRESIDENT AND VILLAGE BOARD OF THE VILLAGE OF BELLEVUE, ILLINOIS, AS FOLLOWS:

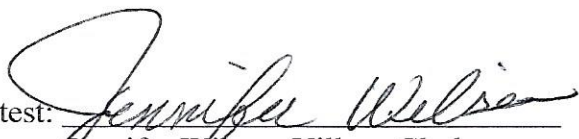
1. The Development Agreement attached hereto is hereby approved.
2. The President, Clerk and other officers of the Village are authorized to execute the Development Agreement and other documents, and to perform all acts, necessary to carry out the intent of this ordinance.
3. This Ordinance shall take effect upon passage and publication as provided by law.

PASSED AND APPROVED THIS 22 DAY OF May, 2018.

<u>5</u>	AYES
<u>-</u>	NAYS
<u>1</u>	ABSENT

VILLAGE OF BELLEVUE, ILLINOIS

By:   
Terry Johnson, Mayor

Attest:   
Jennifer Wilson, Village Clerk

## DEVELOPMENT AGREEMENT

THIS DEVELOPMENT AGREEMENT is dated as of May 22, 2018, between the Village of Bellevue, Peoria County, Illinois, an Illinois municipal corporation (the "Village"), and Phillips Investments, LLC – Bellevue Facility Series, a series of an Illinois limited liability company (the "Developer").

For the purpose of this Agreement, the following terms shall have the meanings as hereinafter indicated:

"Act": Shall mean the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., including all amendments thereto.

"Project Site" Shall mean the real estate described on Exhibit A attached hereto and made a part hereof.

"Redevelopment Plan" Shall mean the Bosch Road Redevelopment Plan, as amended from time to time.

"Redevelopment Project Area" Shall mean the Bosch Road Redevelopment Project Area, as described in the Redevelopment Plan, sometimes also referred to herein as the "TIF District".

### PREAMBLE

A. Adoption and Qualification as a TIF District. The Village has previously approved the Redevelopment Plan, designated the Redevelopment Project Area as a redevelopment project area pursuant to the Act and adopted tax increment allocation financing therein.

B. Objectives. The reasons for establishing the Redevelopment Project Area are to eliminate the blighted conditions in the Redevelopment Project Area and to guide private development projects in order to achieve the objectives set forth in the Redevelopment Plan.

C. Incentives. To help achieve the aforementioned objectives, and to help realize the resultant benefits, the Village will provide specific incentives (as hereinafter described) to the Developer.

### AGREEMENT

**NOW, THEREFORE,** in consideration of the mutual promises and representations hereinbefore, and hereinafter, set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

### ARTICLE I ACQUISITION OF AND CONSTRUCTION ON PROJECT SITE

1.1 Project. In consideration of the incentives provided by the Village as hereinafter described, the Developer shall at its sole cost and expense construct on the Project Site an approximately 68,000 square foot building to be used as an upscale private pay 50 unit assisted living facility with an integrated 24 unit memory care community (the "Improvements") in substantial conformance with the site plan attached hereto and made a part hereof as Exhibit B. The Improvements will have a construction cost of not less than \$9,000,000, and shall be substantially

completed not later than June 30, 2020; provided, however, if delay is caused or contributed to by act or neglect of the Village or those acting to or for or under the Village, labor disputes, casualties, acts of God, public enemy, government, embargo, restrictions, action or non-action of public utilities or of local, state or federal government affecting the work, or other causes beyond the Developer's control, then the time of completion of said construction shall be extended for the additional time caused by such delay. Construction shall begin no later than May 1, 2019, subject to such delays set forth above.

1.2 Easement. At such time as the Village may request, but in any event after the Developer has acquired title to the Project Site, the Developer agrees to grant to the Village an easement for storm water drainage over the west twenty (20) feet of the Project Site, such easement to be in form and substance mutually agreeable to the parties.

## **ARTICLE II DEVELOPMENT INCENTIVES**

2.1 Redevelopment Project Cost Reimbursement. The Village has entered into this Agreement in furtherance of the Redevelopment Plan and, directly in connection therewith, agrees to reimburse Developer for up to \$3,440,000.00 of "redevelopment project costs" permitted to be reimbursed pursuant to 65 ILCS 5/11-74.4-3(q), incurred by the Developer in connection with the construction of the Improvements. Such costs shall be paid as set forth in Section 2.2 below.

The Village agrees that the redevelopment project costs to be reimbursed hereunder may include, without limitation (i) property assembly costs (Section 11-74.4-3(q)(2)) such as land acquisition, site preparation and the clearing and grading of land, (ii) costs of construction of public works or improvements (Section 11-74.4-3(q)(4)) such as public storm sewer, public sanitary sewer and public water distribution improvements, and (iii) interest cost incurred by the Developer related to the construction of the Project (Section 11-74.4-3(q)(11)).

2.2 Payment of Reimbursement. Within ninety (90) days after completion of construction of the Improvements, the Developer shall submit to the Village a reimbursement request for costs incurred in connection with the construction of the Improvements. The reimbursement request shall include a description of the work performed, the contractor, subcontractor or vendor paid for such work, copies of invoices, bills or other requests for payment from such contractors, subcontractors or vendors. The Village shall within a reasonable time (but in any event within thirty (30) days from receipt of the reimbursement request) review the reimbursement request and confirm whether or not the request is in accordance with the provisions of this Agreement.

On or before January 31 of each year, the Developer shall submit to the Village a Requisition for Reimbursement of Interest Costs in the form attached hereto and made a part hereof as Exhibit C ("Requisition") for interest costs incurred by the Developer during the previous calendar year. Upon confirmation that the Requisition is in accordance with the Act and the provisions of this Agreement, the Village shall reimburse thirty percent (30%) of such interest costs as shown on the Requisition. The reimbursement shall be subject to all limitations set forth in the Act and this Agreement.

The Village shall, within thirty (30) days after the receipt of each Requisition, make a payment of eligible interest cost and other eligible redevelopment project costs in an amount equal to the Annual Cap (as defined below) (the "Annual Payment").

"Annual Cap" shall mean fifty percent (50%) of the incremental real estate tax revenues received by the Village for deposit in the Village's special tax allocation fund with respect to Project Site during the calendar year in which the reimbursement request is received.

To the extent that the amount of any approved reimbursement request exceeds the Annual Payment, the excess shall carry over to future years through the termination of the Redevelopment Plan. The Village shall not be obligated to pay any portion of amounts to be reimbursed hereunder that remain unpaid upon the termination of the Redevelopment Plan.

2.3. Total Limitation. The Village's obligation to pay the reimbursement provided for in this Article II shall terminate upon the earlier of (i) the date that a total of \$3,440,000.00 has been paid, or (ii) the occurrence of any act on the part of Developer or on the part of any person acting on behalf of Developer, constituting a default under this Agreement, or (iii) the termination of the Redevelopment Plan on March 22, 2039.

### ARTICLE III NOTICE

3.1 Form. All notices and demands required hereunder shall be in writing and shall be deemed given when delivered personally or three (3) days after deposit in the United States Mail, postage prepaid, certified, with return receipt requested, addressed to the parties as follows:

- |                    |   |
|--------------------|---|
| If to the Village: | Village of Bellevue<br>320 S. Main St.<br>Bellevue, IL 61604<br>Attn: Village Clerk   |
| With a copy to:    | Michael R. Seghetti<br>Elias, Meginnes & Seghetti, P.C.<br>416 Main Street, Suite 1400<br>Peoria, IL 61602                              |
| If to Developer:   | Phillips Investments, LLC – Bellevue Facility Series<br>2402 18 <sup>th</sup> Street<br>Charleston, IL 61920<br>Attn: Reginald Phillips |

### ARTICLE IV GENERAL

4.1 Assessment of Redevelopment Project Area. The parties agree that the Project Site shall be assessed for general real estate taxes in the manner provided by Illinois Compiled Statutes, as amended from time to time. The Developer agrees that it will not do any of the following until issuance of the certificate of completion described in Section 4.13 of this Agreement:

- a. Request a full or partial exemption from general real estate taxes; or,
- b. Request an assessment at a value not permitted by law.

4.2 No Recourse against Public Officials. No recourse under or upon any obligation, covenant or agreement of this Agreement or for any claim based thereon or otherwise in respect thereof shall be had against the elected public officials of the Village or its officers, agents, attorneys and employees, in any amount subject to the terms and conditions herein, and no liability, right or claim at law or in equity shall attach to or shall be incurred by the elected public officials of the Village or its officers, agents, attorneys and employees and all such claims are hereby expressly waived and released as a condition of and as a consideration for the execution of this Agreement by

the Village, provided such elected officials, officers, agents, attorneys and employees are acting pursuant to lawful authority and are uniformly enforcing and/or administering the laws, ordinances, practices and procedures of the Village. This paragraph is a waiver of claims only with respect to the individuals named herein, and is not a waiver by the Developer of any claims against the Village.

4.3 No Waiver. Failure of any party to this Agreement to insist upon the strict and prompt performance of terms, covenants, agreements, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

4.4 Village Action. Where Village approval or direction is required by this Agreement, such approval or direction means the approval or direction of the Village Board unless otherwise expressly provided or required by law, and any such approval may be required to be given only after and if all requirements are inconsistent with this Agreement.

4.5 Recordation. A memorandum of this Agreement shall be recorded with the Recorder of Deeds of Peoria County, Illinois.

4.6 Incorporation of Recitals. The definitions and recitals set forth in the Definition of General Terms and Preamble are hereby specifically incorporated into this Agreement.

4.7 Entire Agreement. The terms and conditions set forth in this Agreement and its Exhibits supersede all prior oral and written understandings and constitute the entire agreement between the Village and the Developer.

4.8 Binding upon Successors in Interest. This Agreement shall be binding upon the parties hereto and their respective heirs, successors, administrators, assigns, or other successors in interest.

4.9 Titles of Paragraphs. Titles of the several parts, paragraphs, sections, or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provision.

4.10 Assignment. The Developer may assign this Agreement, with the prior written consent of the Village (which consent shall not be unreasonably withheld, conditioned or delayed); provided, however, that such an assignment shall not relieve the Developer of its obligations hereunder unless consent of the Village to the release of assignor's obligations is first obtained. The Developer may assign this Agreement to any entity owned by, or under common ownership with, the Developer, without prior consent of the Village.

4.11 Indemnification of Village. Developer agrees to indemnify, defend and hold harmless the Village, its President, Trustees, employees, agents, representatives and attorneys, in both their official and individual capacities, from and against all claims, causes of action and suits of every kind and nature, including liabilities, damages, costs and expenses and reasonable attorneys' fees brought by third parties growing out of or arising from any and all conduct of the Developer, its agents, employees, attorneys and representatives in connection with the acquisition and construction of the Project Site and operation of its business in the Redevelopment Project Area. Further, the Developer (not the Village) shall be solely responsible for the completion of the Project Site.

4.12 Covenants to Run with the Land. The Developer hereby subjects the Project Site to the covenants, reservations, and restrictions set forth herein. The Village and the Developer hereby declare their express intent that the covenants, reservations and restrictions set forth herein shall be deemed covenants running with the land to the extent permitted by law and shall pass to and be binding upon the successors in title to the Project Site throughout the term of this Agreement. Each

and every contract, deed, mortgage or other instrument hereinafter executed covering or conveying the Project Site or any portion thereof shall be conclusively held to have been executed, delivered and accepted subject to such covenants, reservations and restrictions, regardless of whether such covenants, reservations and restrictions are set forth in such contract, deed or other instrument.

4.13 Certificate of Completion. Upon completion of the Developer's obligations under Article I of this Agreement to the reasonable satisfaction of the Village, the Village shall issue, upon the request of the Developer, a certificate of completion. Issuance of said certificate shall evidence completion of the Developer's obligations under Article I of this Agreement.

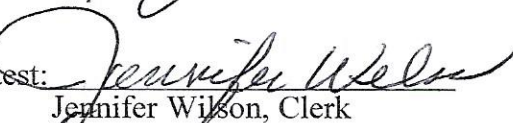
4.14 Defaults. Any failure by any party to perform any material term or provision of this Agreement, which failure continues uncured for a period of thirty (30) days following written notice of such failure from the other party, unless such period is extended by written mutual consent, shall constitute a default under this Agreement. If the nature of the alleged failure is such that it cannot reasonably be cured within such thirty (30) day period, then the commence of the cure within such time period, and the diligent prosecution to completion of the cure thereafter, shall be deemed to be a cure within such thirty (30) day period. Upon the occurrence of a default under this Agreement, the non-defaulting party may institute proceedings to enforce all available legal or equitable remedies to enforce the terms of this Agreement.

4.15 Attorney Fees. In the event of any proceeding, claim or action being filed or instituted between the parties with respect to this Agreement, the prevailing party will be entitled to receive from the other party all costs, damages and expenses, including reasonable attorney's fees and court costs, incurred by the prevailing party.

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

VILLAGE OF BELLEVUE, ILLINOIS

By:   
Terry Johnson, President

Attest:   
Jennifer Wilson, Clerk

PHILLIPS INVESTMENTS, LLC –  
BELLEVUE FACILITY SERIES

By:   
Reginald Phillips, Manager

318-512.d3







EXHIBIT C

Requisition for Reimbursement of Interest Costs

Phillips Investments, LLC – Bellevue Facility Series (“Developer”) hereby certifies to the Village of Bellevue (the “Village”) as follows:

1. That it has during the calendar year \_\_\_\_\_ incurred and paid the following parties for the listed items, each of which constitutes interest on indebtedness incurred to finance the construction of the Project, as such term defined in that certain Redevelopment Agreement dated May 22, 2018 between the Village and the Redeveloper (the “Agreement”).

[list each party to whom payment was made  
and attached evidence of payment]

2. That it requests a payment in the amount of \$ \_\_\_\_\_ pursuant to the Agreement, and that said payment amount is within the limitations set forth in the Agreement.

3. That the payment requested hereunder does not exceed 30% of the interest costs incurred by the Redeveloper on indebtedness incurred to finance the construction of the Project during the calendar year referenced in Section 1 above.

4. That including the payment requested hereunder, the total of interest payments made to date from the Village does not exceed 30% of the total redevelopment project costs, as defined in the Tax Increment Allocation Redevelopment Act, as amended (excluding interest costs, property assembly costs and relocation costs) actually incurred by the Redeveloper.

IN WITNESS WHEREOF, I have hereunto affixed my signature this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_.

PHILLIPS INVESTMENTS, LLC  
BELLEVUE FACILITY SERIES

By: \_\_\_\_\_  
Its: \_\_\_\_\_