

CITY OF LEROY
COUNTY OF MCLEAN
STATE OF ILLINOIS

ORDINANCE NO. 736

AN ORDINANCE APPROVING AMENDMENTS TO A TAX INCREMENT
REDEVELOPMENT AGREEMENT FOR THE CITY OF LEROY WITH LEROY
MANOR (RFMS)

ADOPTED BY THE CITY COUNCIL OF THE CITY OF LE ROY THIS 2nd
DAY OF June, 1997.

PRESENTED: June 2, 1997

PASSED: June 2, 1997

APPROVED: June 2, 1997

RECORDED: June 2, 1997

PUBLISHED: June 2, 1997

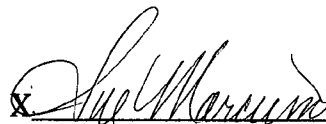
In Pamphlet Form

Voting "Aye" 6

Voting "Nay" 0

The undersigned being the duly qualified and acting City Clerk of the City of LeRoy does hereby certify that this document constitutes the publication in pamphlet form, in connection with and pursuant to Section 1-2-4 of the Illinois Municipal Code, of the above-captioned ordinance and that such ordinance was presented, passed, approved, recorded and published as above stated.

(SEAL)



City Clerk of the City of LeRoy,
McLean County, Illinois

Dated: June 2, 1997.

ORDINANCE NO. ~~736~~

AN ORDINANCE APPROVING AMENDMENTS TO A TAX INCREMENT REDEVELOPMENT AGREEMENT FOR THE CITY OF LEROY WITH LEROY MANOR (RFMS)

WHEREAS, the Mayor and City Council of the City of LeRoy, McLean County, Illinois, an Illinois municipal corporation, find it is necessary for the City to further provide for development in the area of the LeRoy Tax Increment Financing District II; and

WHEREAS, LeRoy Manor (RFMS), a nursing home, was built in the LeRoy Tax Increment Financial District II, under a development agreement which was necessary to induce the construction and operation of said nursing home; and

WHEREAS, LeRoy Manor (RFMS) has proposed to build additional facilities related to its nursing home operation, such facilities to be built in the LeRoy Tax Increment Financing District II, but said LeRoy Manor has stated as a matter of the cost of developing the additional facilities that it is necessary the current development agreement be amended in order to induce the construction and operation of the additional facilities,

NOW, THEREFORE, BE IT ORDAINED, by the City Council of the City of LeRoy, McLean County, Illinois, in lawful meeting assembled, as follows:

Section 1. The redevelopment contract currently in force between the City of LeRoy and LeRoy Manor (RFMS), a copy of which contract is attached hereto, identified as Exhibit "A," and incorporated herein by reference, is hereby amended by addition of the following language at the end of the second paragraph under SECTION 2 INCENTIVES of the aforesaid agreement:

Beginning January 1, 1997, the reimbursement for cost eligible project costs, limited to interest costs incurred by the Developer, as provided for under Section 11-74.4-3 (q), (1), (2), (4), (6), and (11), of the Tax Increment Allocation Development Act (65 ILCS 5/11-74-3), shall not exceed \$600,000 for the "nursing home care facility", "assisted care unit," and duplex type, "zero" lot line, residential facilities, all combined. The combined payments for the cost eligible expenses shall not exceed \$800,000 in 1988 present value dollars. This value shall be determined by the interest rate the Developer pays on its primary mortgage. The increase from the original contemplated amounts of reimbursement not exceeding \$300,000 nor combined payments for cost eligible expenses exceeding \$400,000 in 1988 present value dollars, is increased as to the aforesaid "caps," but only for those years beginning January 1, 1997, and extending to the end of the lifetime of LeRoy Tax Increment Financing District II. For all years and parts of years preceding January 1, 1997, the "caps" shall be deemed to remain at the original \$300,000, and \$400,000, as previously stated in this paragraph.

PASSED by the City Council of the City of LeRoy, Illinois, upon the motion by

Dawn Thompson, seconded by Ron Litherland

, by roll call vote on the 2nd day of June, 1997, as follows:

Aldermen elected 6 Aldermen present 6

VOTING AYE:

Ryan Miles, Ron Litherland, Dave McClelland, W.H. Weber, Dawn Thompson, Dick Oliver
(full names)

VOTING NAY:

None
(full names)

ABSENT, ABSTAIN, OTHER:

None
(full names)

and deposited and filed in the office of the City Clerk in said municipality on the 2nd day of June, 1997.

X Sue Marcum
Sue Marcum, City Clerk of the City of LeRoy, McLean County, Illinois

APPROVED BY the Mayor of the City of LeRoy, Illinois, this 2nd day of

June, 1997.

X Robert Rice
Robert Rice, Mayor of the City of LeRoy, McLean County, Illinois

ATTEST: (SEAL)

X Sue Marcum
Sue Marcum, City Clerk, City of LeRoy, McLean County, Illinois

TAX INCREMENT REDEVELOPMENT AGREEMENT
FOR
THE CITY OF LEROY

This Agreement is entered into this 7th day of October, 1991, by and between The City of LEROY, an Illinois Municipal Corporation (the "City"), and LEROY MANOR, ("Owner(s)/ Developer(s)").

PREAMBLE

WHEREAS, City has the authority to promote the health, safety and welfare of City and its citizens, and to prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of private investment in industry, business and housing which will enhance the marketability of property, thereby increasing the tax base of City and reducing the unemployment of its citizens;

WHEREAS, City has already by Ordinance undertaken a program and plan of redevelopment of City by the adoption of Tax Incremental Financing, the creation of a Redevelopment Plan (the "Plan"), Redevelopment Project Area (the "Area") and Redevelopment Projects (the "Projects") pursuant to the Tax Increment Allocation Redevelopment Act, Illinois Revised Statutes, 1985 Chapter 24, Section 11-74:1-11, et.seq., as amended (the "Act");

WHEREAS, Owner/Developer proposes to develop property as set forth in EXHIBIT 1, attached hereto and by reference made a part hereof, pursuant to said Plan;

WHEREAS, said proposed project is consistent with the land uses and the projects of the Plan as adopted and is located within the Area;

WHEREAS, Owner/Developer has requested that incentives for the development be provided by City from incremental increases in both real estate taxes and sales, use and services taxes of City, which incentives are consistent with those of the Plan and are set forth in EXHIBIT 1;

WHEREAS, City has the authority under the Act to incur Redevelopment Project Costs ("eligible project costs") and to reimburse Developer for such costs;

WHEREAS, City by ordinance has determined that all incremental increases in real estate taxes in the Area are to be allocated to and when collected shall be paid to City Treasurer for deposit into the Special Tax Allocation Fund Number II for the City's Tax Increment Financing Redevelopment District II (the "Fund") for the purpose of payment of eligible project costs;

WHEREAS, the parties desire to segregate within the Fund the incremental increases in real estate taxes derived from Owner's/Developer's Project which separate account shall be designated LEROY MANOR SPECIAL ACCOUNT (the "Special Account");

WHEREAS, this Project has been determined by City to require the incentives requested as set forth in EXHIBIT 1 and that said Project will, as a part of the Plan, promote the health, safety and welfare of City and its citizens by attracting private investment to prevent blight and deterioration and to provide employment for its citizens and generally to enhance the economy of City;

NOW, THEREFORE, the Parties, for good and valuable consideration, the receipt of which is acknowledged, agree as follows:

1. ACQUISITION OF PROPERTY AND CONSTRUCTION OF PROJECT IMPROVEMENTS

Developer shall acquire the property described in EXHIBIT 1, on or before April 1, 1989.

Construction by Owner/Developer shall commence as provided in the Project, and Owner/Developer shall complete such construction, occupy the property and begin operations as set forth in the timetable in EXHIBIT 1.

2. INCENTIVES

Owner/Developer shall be reimbursed by City for all eligible project costs permitted by the Act from 100% of those sums generated by the Project and deposited into the Special Account of the Fund.

Eligible project costs will be limited to interest cost incurred by the Developer as provided for under Section 11-74.4-3(q), (1), (2), (4), (6), and (11). of the Act. Reimbursement for these expenses is not to exceed \$300,000 for the "Nursing Home Care Facility", nor the "Assisted Care Unit" combined. The combined payments for the cost eligible expenses are not to exceed \$400,000 in 1988 present value dollars. This value will be determined by the interest rate the developer pays on his primary mortgage. For an example, if the developer's mortgage rate for a given year is 11%, then 11% for that year will be added to the unpaid balance of the \$300,000 or of the \$400,000.

3. PAYMENT FOR ELIGIBLE PROJECT COSTS

Payment to Owner/Developer for eligible project costs, as set forth by the Act, shall be made upon Request for Verification of Cost Eligibility ("Request") submitted from time to time by Owner/Developer to the LeRoy City Clerk (the "Clerk") and upon the approval of the Aldermanic Council (the "Council") and subject to the availability of funds in the Special Account.

All Requests must be accompanied by verified bills or statements of suppliers, contractors, or professionals as required by City.

The Clerk shall approve or disapprove a Request by written notice to Owner/Developer within twenty (20) business days after receipt of the Request. Approval of the Request will not be unreasonably withheld. If a Request is disapproved by Council or subsequently by the Illinois Department of Revenue the reasons for disallowance will be set forth in writing and the Owner/Developer may resubmit the Request with such additional information as may be required and the same procedures set forth herein shall apply to such resubmittals.

The parties acknowledge that the determination of eligible costs, Area and Projects and, therefore, qualification for reimbursement hereunder, are subject to changes or interpretation made by amendments to the Act, administrative rules or judicial interpretation during the term of this Agreement and City has no obligation to Owner/Developer to attempt to modify those decisions but will assist Owner/Developer in every respect as to obtaining approval of eligible project costs, the Area and this Project.

4. VERIFICATION OF TAX INCREMENT

It shall be the sole responsibility of Owner/Developer to provide to City as requested certified copies of all real estate tax bills for the current tax year on the property located in the Project, and annually thereafter, certified copies of all paid real estate tax bills for the immediately preceding real estate tax year for the property in the Project.

The failure of Owner/Developer to provide any information required herein shall be considered a material breach of this Agreement and shall be cause for City to deny payments hereunder to Owner/Developer which payments are conditioned upon receipt of the foregoing information.

5. LIMITED OBLIGATION

City's obligation hereunder to pay Owner/Developer for eligible project costs is a limited obligation to be paid solely from this Special Account in the Fund. Said obligation does not now and shall never constitute an indebtedness of City within the meaning of State of Illinois constitutional or statutory provisions and shall not constitute or give rise to a pecuniary liability of City or a charge or lien against City's general credit or taxing power.

6. LIMITED LIABILITY OF CITY TO OTHERS

There shall be no obligation by City to make any payments to any person other than Owner/Developer nor shall City be obligated to pay any other contractor, subcontractor, mechanic or materialman providing services or materials to Owner/Developer for the Project.

7. TIME; FORCE MAJEURE

For this Agreement, time is of the essence; provided, however, Owner/Developer shall not be deemed in default with respect to any obligations of this Agreement on its part to be

performed if Owner/Developer fails to timely perform the same and such failure is due in whole or in part to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruption of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by City (or City's agents, employees or invitees) or third parties, or any other cause beyond the reasonable control of Owner/Developer, including but not limited to delays in acquiring interests in or possession of the Subject Property caused by the parties who are contractually obligated to convey and grant the same to Owner/Developer.

8. ASSIGNMENT

The rights and obligations of Owner/Developer under this Agreement shall be fully assignable by means of written notice to City, provided that no such assignment shall be deemed to release the assignor of its obligations to City under this Agreement unless the consent of City to the release of the assignor's obligations is first obtained. Consent shall not be unreasonably withheld provided that the nature of the project is not substantially changed.

9. PREPAYMENTS

Should the annual incremental tax revenue generated by the project be sufficient to pay all cost eligible expenses, except mortgage interest buydown, prior to the expiration of the term of this Agreement, City may, in its sole discretion, elect to pay all then remaining payments (except mortgage interest buy-down) in a single lump sum payment.

10. WAIVER

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right or remedy does so in writing. No such waiver shall obligate such party to waive any right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

11. SEVERABILITY

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

12. NOTICES

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid, addressed as follows:

To Developer:
LeRoy Manor
Buck Road
LeRoy, IL 61752

With Copy to:
City Clerk
111 W. Center
LeRoy, IL 61752

13. SUCCESSORS IN INTEREST

Subject to the provisions of Section 11, above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

15. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at LeRoy, Illinois.

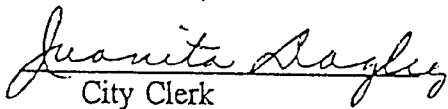
CITY OF LEROY, ILLINOIS
Municipal Corporation

by:



Mayor

Attest:



City Clerk

Owner(s)/Developer(s):

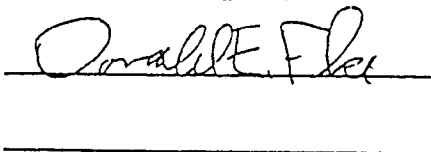


EXHIBIT I

City: LeRoy, Illinois
Developer: REMS
Project: LeRoy Retirement Center

A. Narrative Description of the Project: Construct a 100 bed Health Care Facility and an Assisted Living Center.

(Attach Site Plan or Elevations)

B. Timetable

- 1. Commence Construction April 1, 1989
- 2. Complete Construction Fall of 1989
- 3. Commence Operations Fall of 1989

C. Summary of Project Financial Data:

- 1. Construction or Renovation
 - a. Estimated Total Project Costs \$5,000,000
 - b. Estimated Eligible Project Costs \$450,000 plus
- 2. Anticipated Incremental Increase in Real Estate and Sales Taxes:
 - a. Real Estate Tax \$93,750
 - b. City Sales Tax \$
 - c. State Sales Tax \$
- 3. Number of Jobs Retained/Created 100

D. Developer's/City's Prorata Share of TIF Proceeds

- 1. Real Estate Increment 95 % / 5 %
- 2. City Sales Tax Increment NA % / MA %
- 3. State Sales Tax Increment NA % / NA %

E. Anticipated Time of Payment to Developer

- 1. Cost eligible expenses \$300,000 + 10 1/4% per annum
- 2. Mortgage interest buy-down NA

c ROBERT VANCIL & ASSOCIATES, ECONOMIC DEVELOPMENT CONSULTANTS
100 Mockingbird Lane, Illinois 61752 (309) 962-4251

CERTIFICATE

I, Sue Marcum, certify that I am the duly appointed and acting municipal clerk of the City of LeRoy, of McLean County, Illinois.

I further certify that on June 2, 1997, the Corporate Authorities of such municipality passed and approved Ordinance No. 736, entitled:

AN ORDINANCE APPROVING AMENDMENTS TO A TAX INCREMENT REDEVELOPMENT AGREEMENT FOR THE CITY OF LEROY WITH LEROY MANOR (RFMS),

which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 736, including the Ordinance and a cover sheet thereof, was prepared, and a copy of such Ordinance was posted at the municipal building, commencing on June 2, 1997, and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the municipal clerk.

Dated at LeRoy, Illinois, this 2nd day of June, 1997

(SEAL)



Acting Municipal Clerk

STATE OF ILLINOIS)
) SS:
COUNTY OF McLEAN)

I, Sue Marcum, do hereby certify that I am the duly qualified and Acting City Clerk of the City of LeRoy, McLean County, Illinois, and as such Acting City Clerk that I am the keeper of the records and files of the Mayor and the City Council of said City.

I do further certify that the foregoing is a true, correct and complete copy of an ordinance entitled:

AN ORDINANCE APPROVING AMENDMENTS TO A TAX INCREMENT REDEVELOPMENT AGREEMENT FOR THE CITY OF LEROY WITH LEROY MANOR (RFMS).

I do further certify said ordinance was adopted by the City Council of the City of LeRoy at a regular meeting on the 2nd day of June, 1997, and prior to the making of this certificate the said ordinance was spread at length upon the permanent records of said City where it now appears and remains as a faithful record of said ordinance in the record books.

Dated this 2nd day of June, 1997.

X *Sue Marcum*
City Clerk

(SEAL)