

CITY OF LE ROY  
COUNTY OF McLEAN, STATE OF ILLINOIS

RESOLUTION NO. 00-12-02-30

A RESOLUTION APPROVING A CASH ADVANCE AND GUARANTY AGREEMENT TO  
BE ENTERED INTO FOR THE BENEFIT OF THE PARK HOTEL PROJECT, IN THE  
LEROY FIRST TAX INCREMENT FINANCING DISTRICT, BY JOHN & SHERRY  
HUDDLESTON

ADOPTED BY THE CITY COUNCIL OF THE CITY OF LE ROY THIS  
18th DAY OF December, 2000.

PRESENTED: December 18th, 2000

PASSED: December 18th, 2000

APPROVED: December 18th, 2000

RECORDED: December 18th, 2000

PUBLISHED: December 18th, 2000

In Pamphlet Form

Voting "Aye" Four (4)

Voting "Nay" Two (2)

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 resolution and that such resolution was presented, passed, approved, recorded and published as above stated.

(SEAL)



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

Dated: December 18, 2000

RESOLUTION NO. 00-12-02-30

A RESOLUTION APPROVING A CASH ADVANCE AND GUARANTY AGREEMENT TO BE ENTERED INTO FOR THE BENEFIT OF THE PARK HOTEL PROJECT, IN THE LEROY FIRST TAX INCREMENT FINANCING DISTRICT, BY JOHN & SHERRY HUDDLESTON

WHEREAS, The State of Illinois has provided under the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11 - 74.4, as amended (hereinafter referred to as the "Act"), for municipalities to create within their corporate boundaries tax increment financing redevelopment areas and within those redevelopment areas to provide for redevelopment plans and projects; and

WHEREAS, the City of LeRoy, McLean County, Illinois, an Illinois municipal corporation, hereinafter referred to as "CITY," has previously determined that the stable economic and physical development of certain areas within CITY are endangered by the presence of blighting factors as described in the Act; further, CITY is desirous of continued economic growth for the benefit of its citizenry; and

WHEREAS, the Mayor and City Council of CITY have determined that is in the public interest to provide for further commercial development in the LeRoy First Tax Increment Financing District, in order to develop additional commercial and business endeavors for the benefit of its citizenry, for the redevelopment of CITY, and in order to maintain the commercial and industrial base of CITY; and

WHEREAS, the Mayor and City Council find that the Park Hotel and John & Sherry Huddleston, collectively referred to hereinafter as "Developer," requires a cash advance against future TIF increments to be received once the project is completed, and the Mayor and City Council further find that such cash advance is in the best interest of city to be made to Developer so long as an appropriate security or indemnity agreement is signed by the principals of Park Hotel, guaranteeing repayment of the aforesaid cash advance in the event the project is not completed or otherwise does not "generate" sufficient funds to CITY to repay the cash advance,

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

Section 1. The cash advance and guaranty agreement, a copy of which is attached hereto, labeled Exhibit A for identification, and incorporated herein by reference, is hereby approved, said approval to be deemed effective November 27, 2000.

Section 2. The Mayor and City Clerk are hereby directed to execute three or more signed copies of the aforesaid agreement, being certain to retain two fully signed copies for the City of LeRoy.

Section 3. The City Administrator, City Treasurer and City Clerk, in their respective capacities, are hereby directed to expedite and coordinate issuance of a cash advance of up to \$10,000, upon the written request by one or more agents on behalf of Developer, for such cash advance, and upon the determination by the City Administrator that the cash advance and guaranty agreement has been properly signed and that other safeguards, as may be appropriate,

have been provided to protect the recovery by CITY of the cash advance, or any part of it not otherwise paid to CITY, in the event the project is not completed, or the tax increments "generated" by the project are not sufficient to cover the portion of the tax increments otherwise to be paid to the Developer from the time the project is completed until the termination of the tax increment financing district.

PASSED by the City Council of the City of LeRoy, Illinois, upon the motion by Dave McClelland, seconded by Dawn Thompson, by roll call vote on the 18th day of December, 2000, as follows:

Aldermen elected 6

Aldermen present 6

VOTING AYE.:

Steve Dean, Dave McClelland, Dawn Thompson, Ron Litherland

VOTING NAY:

Ryan Miles, W. H. Weber

ABSENT:

None

ABSTAIN:

None

OTHER:

None

and deposited and filed in the office of the acting City Clerk in said municipality on the 18th day of December, 2000.



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

APPROVED BY the Mayor of the City of LeRoy, Illinois, this 18th day of December, 2000.

X Robert Rice

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

ATTEST:

(SEAL)



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

**AGREEMENT FOR CASH ADVANCE, REPAYMENT  
OF SAME, AND GUARANTY OF REPAYMENT**

THE UNDERSIGNED hereby request the City of Le Roy ("City") make a cash advance of \$7,000.00 to John and Sherry Huddleston, D.B.A. (Park Hotel Bed and Breakfast) (the aforesaid entity being hereinafter collectively referred to from time to time as "DEVELOPER"), as directed in writing by one or more of the undersigned DEVELOPER(s), in order to enable DEVELOPER to undertake a business project in furtherance of the Le Roy First Tax Increment Financing District Redevelopment Plan of CITY, as said plan was amended and enacted dated June 2, 1997, and in accordance with the project as proposed by DEVELOPER and accepted by CITY in a Resolution (00-04-03-30) approved April 17, 2000, by the City Council of CITY. In consideration of CITY making the aforesaid cash advance on or before December 31, 2000, the undersigned each, individually, agree with CITY as follows:

1. "Cash advance" means one or more financial transactions whereby monies are advanced to the account of John and Sherry Huddleston, D.B.A. (Park Hotel Bed and Breakfast) in furtherance of the redevelopment business project proposed by DEVELOPER and approved by CITY as aforesaid. "Indebtedness" is used in its broadest sense and includes all obligations of any debtor, alone or with others, incurred before or after the date of this guaranty, voluntarily or involuntarily, due or not due, absolute, inchoate, contingent, liquidated or unliquidated, and interest on any one or more such obligations. "DEBTOR" means DEVELOPER, as well as John and Sherry Huddleston, D.B.A. (Park Hotel Bed and Breakfast). "Guarantor" means John and Sherry Huddleston, D.B.A. (Park Hotel Bed and Breakfast).

2. John and Sherry Huddleston, D.B.A. (Park Hotel Bed and Breakfast), has entered into a redevelopment agreement with CITY providing for the redevelopment of a parcel of real estate located in the Le Roy First Tax Increment Financing District. In order to assist DEVELOPER to expedite completion of the project, CITY is considering making one or more advances of funds to DEVELOPER. This agreement is intended by the parties to provide the means in which such advance(s) will be made and the repayment terms for any funds advanced if necessary.

3. Without further authorization from any of the undersigned, CITY may pay DEVELOPER, from time to time, or to their account, any amount at any time up to and including a total amount advanced, in the aggregate, from all advances that may have been made, of \$7,000.00. However, in the event no (or insufficient) incremental revenues are "generated" by the project contemplated to be constructed as provided in the aforesaid redevelopment agreement, DEBTOR and Guarantor shall be liable for repayment of said funds to CITY as provided in this numbered section.

In any event, the parties in good faith contemplate the repayment of the funds due CITY, to the extent withheld by CITY (as provided in this section) shall be paid out of those incremental revenues "first" due DEVELOPER. Once \$7,000 in incremental revenues have been generated, no repayment of the initial \$7,000 cash advance will be required by DEVELOPER. Further, no interest shall be due on the aforesaid cash advance(s), or any part thereof, from the date the cash advance(s) is/are made until October 31, 2007.

4. The undersigned guarantors unconditionally guaranty and promise to pay to CITY or to the order of the CITY, in any coin or currency which as of the time of payment is legal tender in the United States, any remaining cash advance (or advances) previously described in this agreement and to perform each guaranteed obligation when due.

5. CITY need not take an action against any DEBTOR, against any other guarantor, or against any other person, firm, or corporation or resort to any security held by it at any time before proceeding against any other DEBTOR or guarantor.

6. Until all guaranteed indebtedness has been paid in full, no DEBTOR or guarantor shall have any right of subrogation unless expressly given to such DEBTOR or guarantor in writing by CITY.

7. Unless exceptions are provided in this paragraph number 7, all future indebtedness of any DEBTOR to any guarantor is subordinated to all indebtedness guaranteed by this instrument and without the prior written consent of CITY shall not be paid in whole or in part.

8. The liability of each DEBTOR and each guarantor under this instrument shall continue notwithstanding the incapacity, death, or disability of any other DEBTOR or guarantor, or of any other or others, or the revocation of this guaranty by any other guarantor if there is more than one guarantor. The failure by CITY to file or enforce a claim against the estate (either in administration, bankruptcy, or other proceeding) of an DEBTOR, or of any guarantor, or of any other or others, shall not affect the liability of any other DEBTOR or guarantor hereunder, nor shall any DEBTOR or guarantor be released from liability if recovery from any DEBTOR, or any other guarantor, or any other person, becomes barred by any statute of limitations or is otherwise prevented. Each DEBTOR and guarantor signed hereunder waives and agrees not to assert or take advantage of the defense of the statute of limitations in any action under this guaranty or for the collection of any cash advance or other credit guaranteed by this instrument.

9. So long as any of the undersigned have any liability to CITY remaining under this agreement, each undersigned DEBTOR and guarantor will file all claims against any other DEBTOR or guarantor in any bankruptcy or other proceeding in which the filing of claims is required by law upon any indebtedness of any DEBTOR to any guarantor and shall assign to CITY all of the rights of any such DEBTOR or guarantor under those claims. If any DEBTOR or guarantor does not file any such claim, CITY is hereby authorized, pursuant to bankruptcy rules, to act as attorney in fact on behalf of any said DEBTOR or guarantor for that purpose, to do so in the name of any said DEBTOR or guarantor, or in CITY's discretion to assign the claim to and cause proof of claim to be filed in the name of a nominee of CITY. In all like cases, whether an administration, bankruptcy, or otherwise, the person or persons authorized to pay the claim must pay to CITY the full amount payable on the claim in the proceeding before making any payment to any of the undersigned, and to the fullest extent necessary for that purpose each of the undersigned hereby assigns to CITY all rights of each of the undersigned to any payments or distributions to which each of the undersigned might otherwise be entitled. If the amounts paid are greater than the guaranteed obligations outstanding, CITY shall promptly pay the amount of the excess to the party entitled to that amount.

10. With or without notice to any of the undersigned, CITY, in its sole discretion, (a) may apply all payments from any DEBTOR, from any guarantor, or from any other DEBTOR or guarantor under this or any other instrument, or realized from any security, in whatever manner and order or priority as CITY sees fit, to any obligation of any DEBTOR or guarantor, whether or not the obligation is due at the time of application, and (b) either before or after revocation of this instrument may refund to any DEBTOR or guarantor any payment received by CITY upon any guaranteed obligation, and the amount refunded shall be fully guaranteed.

11. If CITY holds one or more other guarantees executed by any of the undersigned relating to credit extended to any DEBTOR or guarantor by CITY, the amount of liability of each of the undersigned DEBTOR and guarantors imposed by the guaranty or guarantees shall be added to the amount of the liability imposed by paragraphs 3 and 4, of this guaranty and the resulting total shall be the amount of liability of each of the undersigned DEBTOR and guarantors. All rights, powers and remedies of CITY under this agreement and under any other agreement now or at any subsequent time in force between CITY and any of the undersigned shall be cumulative and not alternative and shall be in addition to all rights, powers and remedies given to CITY by law.

12. In case of a default, CITY may maintain an action on this guaranty whether or not any DEBTOR is joined in that action or a separate action is brought against any undersigned DEBTOR. The rights of CITY are cumulative and shall not be exhausted by its exercise of any of its rights under this guaranty or otherwise against any of the undersigned DEBTOR or guarantors or by any number of successive actions until and unless all indebtedness guaranteed has been paid and each of the obligations of each of the undersigned under this agreement has been fully performed.

13. It shall remain in full force until and unless each of the undersigned delivers to CITY written notice revoking it as to indebtedness incurred subsequent to delivery. A revocation shall not affect any obligation of any of the undersigned under this guaranty with respect to indebtedness incurred pursuant to the guaranty nor shall it affect any obligation of any other DEBTOR or guarantor signing this agreement.

14. Each of the undersigned agrees to pay to CITY without demand reasonable attorney's fees and all costs and other expenses incurred by CITY in collecting or compromising any indebtedness of any of the undersigned under this agreement or in enforcing this agreement against any of the undersigned.

15. Should any one or more provisions of this agreement be determined to be illegal or unenforceable, all other provisions nevertheless shall remain effective.

16. This agreement shall be enforceable in any court of competent jurisdiction by any of the parties hereto by appropriate action at law or in equity, to secure the performance of the provisions herein contained. Upon a breach of this agreement, any of the parties in any court of competent jurisdiction, by any action or proceeding at law or in equity, may be awarded damages for failure of performance, may obtain rescission and damages for repudiation or material failure of performance, or may exercise any other remedy available at law or in equity.

17. This agreement shall be construed, governed and administered in accordance with the laws of the State of Illinois without regard to the principles of conflicts of law.

18. Except as otherwise expressly provided herein, this agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof, and constitutes a full integration of the understandings and agreements of the parties to this agreement.

19. Sections or paragraph headings, or parts thereof, that may be used in various places throughout this agreement are intended for convenience only and shall not be taken into consideration in any construction or interpretation of this agreement or any of its provisions.

20. Except as otherwise provided in this agreement, any failure of any of the parties to comply with any obligation, covenant, agreement or condition herein may be waived by the party entitled to the benefits thereof only by a written instrument signed by the party granting such waiver, but such waiver or failure to insist on strict compliance shall not operate as a waiver of, or estoppel with respect to, any subsequent or other failure.

21. All notices, consents, waivers, or other communications required or permitted hereunder shall be sufficient if given in writing and delivered personally, or by telephone facsimile followed by mail, or by express mail or certified or registered mail, as follows (or to such other addressee or address as shall be set forth in a notice given in the same manner):

IF TO:                    John and Sherry Huddleston  
                                 104 W Center  
                                 Le Roy, IL 61752

IF TO:                    City of Le Roy

TO: City Clerk, City of Le Roy                    and copy to    Hunt Henderson, City Attorney  
     111 E Center Street, P.O. Box 151                    112 East Center Street  
     Le Roy, Illinois 61752                                    Le Roy, Illinois 61752

22. This agreement shall be executed in six or more counterparts, each of which shall be deemed to be an original and all of which, together, shall be deemed to be one and the same instrument. It shall not be necessary in making proof of this agreement or any counterpart hereof to account for any other counterpart.

23. This agreement shall be binding upon and inure to the benefit of CITY, its successors and assigns, and shall bind the heirs, executors, administrators, assigns and successors in interest to John and Sheri Huddleston, individually, or in any combination.

24. If one or more DEBTOR or guarantors sign this agreement, the obligation of all DEBTOR and guarantors under this agreement shall be joint and several.

25. Whenever the context of this agreement requires, the masculine gender includes the feminine or neuter (and vice versa), and the singular number includes the plural (and vice versa).

26. Developer agrees to have the bed and breakfast open for business by July 1st, 2002 or the total advance stated and paid through this agreement is due and payable to the City.

EXECUTED AT LE ROY, ILLINOIS, this 27th day of November, 2000.

CITY OF LE ROY

JOHN AND SHERRY HUDDLESTON(DEBTOR)

BY:

\_\_\_\_\_  
Robert Rice, Mayor of the City of Le Roy  
McLean County, Illinois

\_\_\_\_\_  
John Huddleston

(SEAL)

ATTEST:

\_\_\_\_\_  
Sue Marcum, City Clerk of the City of Le Roy

\_\_\_\_\_  
Sherry Huddleston



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 Le Roy, McLean County, Illinois, and as such 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 a resolution entitled:

A RESOLUTION APPROVING A CASH ADVANCE AND GUARANTY AGREEMENT TO BE ENTERED INTO FOR THE BENEFIT OF THE PARK HOTEL PROJECT, IN THE LEROY FIRST TAX INCREMENT FINANCING DISTRICT, BY JOHN & SHERRY HUDDLESTON

I do further certify said *resolution* was adopted by the City Council of the City of Le Roy at a regular meeting on the 18th day of December, 2000, and prior to the making of this certificate the said *resolution* was on file with the permanent records of said City where it now appears and remains as a permanent record of said *resolution* in the record books.

Dated this *18th* day of December, 2000.

  
\_\_\_\_\_  
City Clerk

(SEAL)

CERTIFICATE

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

I further certify that on **December 18th, 2000**, the Corporate Authorities of such municipality passed and approved Resolution No. **00-12-02-30**, entitled:

**A RESOLUTION APPROVING A CASH ADVANCE AND GUARANTY AGREEMENT  
TO BE ENTERED INTO FOR THE BENEFIT OF THE PARK HOTEL PROJECT, IN  
THE LEROY FIRST TAX INCREMENT FINANCING DISTRICT, BY JOHN &  
SHERRY HUDDLESTON**

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

The pamphlet form of Resolution No. **00-12-02-30**, including the Resolution and a cover sheet thereof, was prepared, and a copy of such Resolution was posted at the municipal building, commencing on **December 18th, 2000**, and continuing for at least ten days thereafter. Copies of such Resolution were also available for public inspection upon request in the office of the municipal clerk.

Dated at Le Roy, Illinois this 18th day of December, 2000.

(SEAL)

  
Municipal Clerk