

**TAX INCREMENT FINANCING DISTRICT
INCREMENTAL REVENUE REDEVELOPMENT AGREEMENT
BETWEEN THE VILLAGE OF LONG GROVE AND
XXXXXXXXXXXXXXXXXXXX (Property Address)**

This **TAX INCREMENT FINANCING DISTRICT INCREMENTAL REVENUE REDEVELOPMENT AGREEMENT** (“**Agreement**”) is entered into as of _____, 20__ (“**Effective Date**”), between the **VILLAGE OF LONG GROVE**, an Illinois municipal corporation (“**Village**”), and _____, a _____ (“**Property Owner/Business Owner**”), with offices at _____.

IN CONSIDERATION OF, and in reliance upon, the recitals and the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Village and the Property Owner/Business Owner (collectively, the “**Parties**”) mutually agree as follows:

SECTION 1. RECITALS.*

A. Pursuant to Ordinance No. 2008-O-5, as amended from time to time, the Village of Long Grove (“**Village**”) designated the Downtown/IL Rte. 83 Redevelopment Project Area (“**TIF District**”) pursuant to Section 11-74.4-4 of the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, (“**TIF Act**”).

B. Pursuant to Ordinance No. 2008-O-6, the Village adopted tax increment allocation financing for the TIF District in accordance with the TIF Act and established the Downtown/IL Rte. 83 Redevelopment Project Area Special Tax Allocation Fund (“**Fund**”) for the deposit of TIF District incremental tax revenues and payment of eligible redevelopment project costs and obligations.

C. Pursuant to Ordinance No. 2008-O-7, the Village approved a Revised Redevelopment Plan and Project (the “**TIF Plan**”), which TIF Plan identified among the goals of the TIF District to “coordinate public and private improvements to stimulate private investments.”

D. Under the TIF Act, the Village is authorized to “[m]ake and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others necessary or incidental to the implementation and furtherance of its redevelopment plan and project,” 65 ILCS 5/11-74.4-4(b).

E. The Village President and Board of Trustees (the “**Village Board**”) has determined that the goals of the TIF District relating to the stimulation of private investment can be advanced by offering incentives to property owners and business owners in the Historic Business District relating to improvements of their properties and places of business, and to this end the Village Board has developed an “HBD Development Incentive Program” (the “**Incentive Program**”) to encourage property owners and businesses to invest in the Historic Business District properties.

F. The Village Board has determined that implementation of the Incentive Program will further the goals and objectives of the TIF Plan, and will otherwise enhance the public health, safety, and welfare of the TIF District and the Village of Long Grove;

* All capitalized words and phrases throughout this Agreement shall have the meanings set forth in the preamble above and in Section 2 and the other provisions of this Agreement. If a word or phrase is not specifically defined in this Agreement, it shall have the meaning ascribed to it in the Village Code.

G. Property Owner/Business Owner [**currently owns**][**currently operates**][**intends to develop**][**intends to improve**] the real property located at _____ (“**Property**”) in the Village’s downtown, as legally described in **Exhibit A** attached hereto and as depicted on **Exhibit A-1** attached hereto.

H. The Property is currently [**improved with** _____][**vacant**].

I. The Property Owner/Business Owner intends to [**improve**][**develop**][**redevelop**] the Property for use as _____ (the “**Business**”) in general conformity with the plans attached hereto as **Exhibit B** (the “**Plans**”). The Property Owner/Business Owner estimates that its Certified Costs for the Improvements will exceed \$40,000.00.

J. The Village desires to assist the Property Owner/Business Owner with the Business by providing certain financial incentives in an amount not to exceed \$100,000.00 or 50% of the costs of the Improvements, whichever is less, and subject to the terms and conditions of this Agreement to offset in part the cost of the Improvements.

K. The Parties desire to enter into this Agreement to set out their respective understandings and responsibilities with respect to the Improvements, the Business, and the TIF District incentives relating to the Business.

L. The Parties acknowledge that the Village has previously issued bonds payable from incremental revenue of the TIF District (including the Property Tax Increment) that are superior to the Prior Village Bonds, and that the Village reserves the right to issue additional bonds that are superior to the Prior Village Bonds without regard to this Agreement.

SECTION 2. RULES OF CONSTRUCTION; DEFINITIONS.

A. Grammatical Usage and Construction. In construing this Agreement, feminine or neuter pronouns shall be substituted for those masculine in form and vice versa, and plural terms shall be substituted for singular and singular for plural, in any place in which the context so requires.

B. Headings. The headings, titles, and captions in this Agreement have been inserted only for convenience and in no way define, limit, extend, or describe the scope or intent of this Agreement.

C. Calendar Days. Unless otherwise provided in this Agreement, any reference in this Agreement to “day” or “days” shall mean calendar days and not business days. If the date for giving of any notice required to be given, or the performance of any obligation, under this Agreement falls on a Saturday, Sunday, or federal holiday, then the notice or obligation may be given or performed on the next business day after that Saturday, Sunday, or federal holiday.

D. Definitions. Whenever used in this Agreement, the following terms will have the following meanings unless a different meaning is required by the context.

“**Base EAV**”: The equalized assessed valuation of the Property as of the commencement of the TIF District as determined by the Lake County Clerk.

“**Certified Costs**”: The amount of moneys expended by the Property Owner/Business

Owner for labor, materials, engineering, architectural, and other professional design services relating to the Improvements as reasonably determined by the Village Engineer based on receipts, sworn statements, and other documentation to be provided by the Property Owner/Business Owner that the Village Engineer customarily relies upon in certifying the costs due to contractors for Village projects.

“Commencement Date”: The date for the commencement of payment of the Incentive Payment as defined in Section 5 of this Agreement.

“Corporate Authorities”: The President and Board of Trustees of the Village.

“EAV”: The equalized assessed valuation of the Property in any year during the term of this Agreement when Incentive Payments are to be made to the Property Owner/Business Owner.

“Improvements”: The improvements to the Property to be completed in furtherance of the Business as identified in the Plans [and as further defined in **Exhibit B-1** of this Agreement].

“Incentive Payment”: Payments made by the Village to the Property Owner/Business Owner in accordance with the terms of Section 6 of this Agreement.

“Maximum Cumulative Payment”: Incentive Payments in the amount of \$100,000.00 or 50% of the Certified Costs of the Improvements, whichever is less, ***whether such amounts are paid as Incentive Payments under this Agreement or under the “Tax Increment Financing District Sales Tax Incentive Agreement” between the Village and Property Owner/Business Owner, or both***.

“Prior Village Bonds”: The bonds previously authorized and acquired by the Village payable from the Property Tax Increment of the Property and other properties within the TIF District, consisting of those bonds known as the Series 2009A, Series 2009B, Series 2011A, 2017A, and 2017B bonds.

“Property Tax Increment”: The amount of the real estate property tax generated from the Property as set forth on the bill(s) rendered by the Lake County Treasurer in any calendar year during which an Incentive Payment is to be made under this Agreement that is attributable to the difference between the EAV of the Property during such year minus the Base EAV, but only for the period during which the TIF District shall be in effect.

“State”: Means the State of Illinois.

“Village Code”: The Long Grove Village Code (and other ordinances approved by the Corporate Authorities that may not have been incorporated into the Village Code), as the same has been and may, from time-to-time hereafter, be amended.

“Zoning Regulations”: The Long Grove Zoning Code (including any special use ordinances or other zoning approvals granted pursuant thereto), as the same has been and may, from time-to-time hereafter, be amended.

SECTION 3. BUILDING PERMIT; EVIDENCE OF PROPERTY INTEREST. No later than _____, Property Owner/Business Owner shall submit a building permit to the Village for the Improvements based upon the Plans and otherwise causing the Property to comply fully with the building, development, and zoning requirements of the Village Code. Prior to the issuance of a building permit for the Improvements, the Property Owner/Business Owner shall provide the Village with evidence of its acquisition of good title to the Property or Property Owner/Business Owner's entry into a lease for the Property of a period not less than ____ years prior to the issuance of any building permit for the Improvements. Property Owner/Business Owner shall construct, or cause to be constructed, the Improvements in conformity with the requirements of the Village Code and the terms of the building permit, which construction shall be substantially completed no later than December 31, 2017.

SECTION 4. LIMITED OBLIGATION. This Agreement and the Incentive Payments due hereunder are a limited obligation of the Village. The Village's obligation to make Incentive Payments pursuant to this Agreement is limited to payment by the Village from Property Tax Increment received from the Property. The Village shall be under no obligation to make payments required herein from any other source or funds held by the Village. This is not to be construed as a full-faith and credit or general obligation of the Village for any purpose.

SECTION 5. COMMENCEMENT OF INCENTIVE PAYMENT.

A. Commencement Date. The Property Owner/Business Owner acknowledges and agrees that no Incentive Payment will be paid until the Commencement Date, which is the date the Village Manager determines that each and all of the following events has occurred:

1. The Property Owner/Business Owner has substantially completed work on the Improvements as evidenced by a temporary or final certificate of occupancy no later than December 31, 2017;
2. The Property Owner/Business Owner has fully completed all of the Improvements in compliance with the Village Code and the building permit for the Improvements and has received a final certificate of occupancy for the Improvements on the Property; and
3. The Village Engineer has confirmed the Certified Costs of the Improvements.

B. Limitations on Payment of Incentive. The Property Owner/Business Owner acknowledges and agrees that any outstanding fees, charges, payments or other amounts due and owing to the Village from the Property Owner/Business Owner in connection with the building permit or other development approvals for the Business must be paid in full before the Incentive Payment will commence.

SECTION 6. INCENTIVE PAYMENTS; DEFERRALS.

A. Payment Schedule and Amount. Except as otherwise expressly provided in this Agreement, within 90 days after the Village receives confirmation from the Property Owner/Business Owner that all the property taxes due for the Property have been paid without protest or objection in any year after the Prior Village Bonds have been paid in full, the Village shall make an Incentive Payment to the Property Owner/Business Owner in the amount of the

Property Tax Increment generated from the Property, but in no event more than the Maximum Cumulative Payment.

B. Amount of Incentive Payments. When the Maximum Cumulative Payment has been reached, or after the Village has remitted the Incentive Payments for each calendar year through 2031, or upon the expiration or termination of this Agreement, no further sums will be due or owing to the Property Owner/Business Owner, and the Village will not make any further Incentive Payments or any other payments to the Property Owner/Business Owner. Any amounts due from the Village to the Property Owner/Business Owner under this Agreement shall not accrue interest, regardless of whether such payments are made by the payment due date or thereafter.

C. Conditions for Receiving Incentive Payment. No Incentive Payment will be made to the Property Owner/Business Owner for any calendar year unless the Property Owner/Business Owner is operating the Business at the Property in accordance with the Zoning Regulations, the Village Code, the requirements of this Agreement, and any applicable federal, State, or local laws, rules, ordinances, or regulations (including the giving of all notices, payment of all fees, and securing of all required permits and approvals). In the event of a violation, the Village, upon notice to the Property Owner/Business Owner, may withhold any Incentive Payment otherwise due pursuant to this Agreement until such time as the violation is corrected to the reasonable satisfaction of the Village (including payment of any penalties, fines, or reimbursable costs relating to such violation).

E. Termination or Transfer of Business. If at any time after the Commencement Date the Property Owner/Business Owner transfers the Property, the Village shall have the right to hold any Incentive Payment in escrow until the Property Owner/Business Owner and transferee jointly notify the Village regarding who is entitled to the Incentive payment.

SECTION 7. TERMINATION OF AGREEMENT; SURVIVAL OF CERTAIN OBLIGATIONS. The Parties agree that this Agreement shall terminate upon the termination of the TIF District, or such earlier date as provided in this Agreement. Notwithstanding the foregoing, the Property Owner/Business Owner's obligations under this Agreement (as well as any other indemnification and defense obligations under this Agreement) shall survive the termination of this Agreement.

SECTION 8. CHANGES IN LAW. In the event that there are changes in law that affect the ability of either party to perform this Agreement, the Parties shall consult in good faith for purposes of considering amendments to this Agreement to effect the intent of the Parties. Notwithstanding the foregoing, nothing shall require either party to approve an amendment to this Agreement.

SECTION 9. ADDITIONAL BONDS. Until the Property Owner/Business Owner receives the Maximum Cumulative Payment, the Village agrees that it shall not hereafter issue any bonds that (a) are subordinate to the Prior Village Bonds, and (b) may be payable from Property Tax Increment.

SECTION 10. WARRANTIES AND REPRESENTATIONS.

A. By the Village. The Village represents and warrants to the Property Owner/Business Owner as follows:

1. The Village has the authority and the legal right to make, deliver, and perform this Agreement, and has taken or will take all necessary actions and obtain all required consents and approvals to authorize the execution, delivery, and performance of this Agreement.

2. To the best of the knowledge of the legal representatives of the Village, the execution, delivery, and performance of this Agreement is not prohibited by any requirement of law or under any contractual obligation of the Village, will not result in a breach or default under any agreement to which the Village is a party or is bound, and will not violate any restriction, court order, or agreement to which the Village is subject.

3. The parties executing this Agreement on behalf of the Village, and executing and delivering any other agreement or other item contemplated by this Agreement or otherwise required to fulfill the Village's obligations under this Agreement, have full authority to bind the Village to such obligations and to so act on behalf of the Village.

B. By the Property Owner/Business Owner. The Property Owner/Business Owner represents and warrants to the Village as follows:

1. The Property Owner/Business Owner has the authority and the legal right to make, deliver, and perform this Agreement, and has taken or will take all necessary actions and obtained all required consents and approvals to authorize the execution, delivery, and performance of this Agreement.

2. To the best of the knowledge of the legal representatives of the Property Owner/Business Owner, the execution, delivery, and performance of this Agreement is not prohibited by any requirement of law or under any contractual obligation of the Property Owner/Business Owner, will not result in a breach or default under any agreement to which the Property Owner/Business Owner is a party or is bound, and will not violate any restriction, court order, or agreement to which the Property Owner/Business Owner is subject.

3. The parties executing this Agreement on behalf of the Property Owner/Business Owner and executing and delivering any other agreement or other item contemplated by this Agreement or otherwise required to fulfill the Property Owner/Business Owner's obligations under this Agreement, have full authority to bind the Property Owner/Business Owner to such obligations and to so act on behalf of the Property Owner/Business Owner.

4. No information, exhibit or report furnished by the Property Owner/Business Owner to the Village in connection with this Agreement contains or will contain any misstatement of material fact, or omits or will omit to state any fact necessary to make the statements contained therein not materially misleading. The Property Owner/Business Owner has provided all information requested by the Village, and such information is complete and accurate in all material respects. There is no fact known to the Property Owner/Business Owner which could materially adversely affect or which might in the future, in the Property

Owner/Business Owner's reasonable judgment, materially adversely affect the assets, properties or financial condition of the Property Owner/Business Owner.

SECTION 11. EVENTS OF DEFAULT; ENFORCEMENT.

A. Event of Default.

1. Notice of Default. The Village shall provide written notice to the Property Owner/Business Owner if the Village determines that the Property Owner/Business Owner has materially breached the performance or observance of any covenant, agreement, condition, or obligation under this Agreement. The failure of the Property Owner/Business Owner to remedy or cure all non-performances or impairments identified in the Notice of Default, to the satisfaction of the Village, within 30 days after receipt by the Property Owner/Business Owner of the Notice of Default shall constitute a default under this Agreement (a "**Default Event**"). Upon the occurrence of a Default Event, the Village may immediately terminate this Agreement and pursue any other available remedy.

2. Notice by Property Owner/Business Owner. The Property Owner/Business Owner shall promptly give written notice to the Village as soon as reasonably possible of:

- a. Any condition, event or act which constitutes or may constitute a default under this Agreement;
- b. Any pending material litigation or any government order specifically and materially affecting the Property Owner/Business Owner or the Business;
- c. Any change of name, address, identity, or ownership of the Property Owner/Business Owner; and
- d. Any other event or fact which may reasonably be deemed by the Village to adversely affect the financial or operating conditions of either the Property Owner/Business Owner or the Business.

B. Enforcement. The Parties may, in law or in equity, by suit, action, mandamus, or any other proceeding, enforce or compel the performance of this Agreement; provided, however, that the Property Owner/Business Owner agrees that it will not seek, and does not have the right to seek, to recover a judgment for monetary damages against the Village or any elected or appointed officials, officers, employees, agents, representatives, engineers, or attorneys of the Village on account of the negotiation, execution, or breach of any of the terms and conditions of this Agreement.

C. Prevailing Party. In the event of a judicial proceeding brought by one Party against the other Party, the prevailing Party in the judicial proceeding shall be entitled to reimbursement from the unsuccessful Party of all costs and expenses, including reasonable attorneys' fees, incurred in connection with the judicial proceeding.

SECTION 12. GENERAL PROVISIONS.

A. Notices. All notices required or permitted to be given under this Agreement shall be given by the Parties by (i) personal delivery, (ii) deposit in the United States mail, enclosed in a sealed envelope with first class postage thereon, or (iii) deposit with a nationally recognized overnight delivery service, addressed as stated in this Section 12.A. The address of any Party may be changed by written notice to the other Parties. Any mailed notice shall be deemed to have been given and received within three days after the same has been mailed and any notice given by overnight courier shall be deemed to have been given and received within 24 hours after deposit. Notices and communications to the Parties shall be addressed to, and delivered at, the following addresses:

If to the Village: Village of Long Grove
Attn: David A. Lothspeich, Village Manager
RFD 3110
Long Grove, Illinois 60047

with a copy to: Filippini Law Firm LLP
Attn: Victor P. Filippini, Jr.
990 Grove Street, Suite 220
Evanston, Illinois 60201

If to the Property Owner/Business
Owner: _____
Attn: _____

with a copy to: _____
Attn: _____

B. Binding Effect. This Agreement and the privileges, obligations, and provisions contained herein shall inure to the benefit of, and be binding upon, the Village, the Property Owner/Business Owner, and their heirs, personal representatives, and successors.

C. Rights Cumulative. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other rights, remedies, and benefits allowed by law.

D. Non-Waiver. The Village shall be under no obligation to exercise any of the rights granted to it in this Agreement. The failure of the Village to exercise at any time any such right shall not be deemed or construed to be a waiver thereof, nor shall such failure void or affect the Village's right to enforce such right or any other right.

E. Assignment. Neither the Village nor the Property Owner/Business Owner shall assign this Agreement, in whole or in part, or any of its rights or obligations under this Agreement, without the prior express written approval of the other party, which approval may be withheld in the sole and unfettered discretion of the other party (except as otherwise expressly provided in this Agreement).

F. Consents. Whenever the consent or approval of any party to this Agreement is required, such consent or approval shall be in writing and shall not be unreasonably withheld, conditioned, or delayed, and, in all matters contained herein, all parties shall have an implied obligation of reasonableness, except as may be expressly set forth otherwise.

G. Governing Law. This Agreement shall be governed by, construed, and enforced in accordance with the internal laws, but not the conflicts of laws rules, of the State of Illinois.

H. Severability. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the remaining provisions of this Agreement and the validity, enforceability, and application to any person, firm, corporation, or property shall not be impaired thereby, but the remaining provisions shall be interpreted, applied, and enforced so as to achieve, as near as may be, the purpose and intent of this Agreement to the greatest extent permitted by applicable law.

I. Entire Agreement. This Agreement constitutes the entire agreement between the Parties and supersedes any and all prior agreements and negotiations between the parties, whether written or oral, relating to the subject matter of this Agreement.

J. Interpretation. This Agreement shall be construed without regard to the identity of the Party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

K. Headings. The heading, titles, and captions in this Agreement have been inserted only for convenience and in no way define, limit, extend, or describe the scope or intent of this Agreement.

L. Amendments and Modifications. No amendment or modification to this Agreement shall be effective unless and until it is reduced to writing and approved and executed by all Parties to this Agreement in accordance with all applicable statutory procedures.

M. Changes in Laws. Unless otherwise provided in this Agreement, any reference to any requirements of law shall be deemed to include any modifications of, or amendments to such requirements of law as may, from time to time, hereinafter occur.

N. No Third Party Beneficiaries. No claim as a third party beneficiary under this Agreement by any person, firm, or corporation shall be made, or be valid, against the Village or the Property Owner/Business Owner.

O. Counterparts. This Agreement may be executed in counterparts, each of which shall constitute an original document and together shall constitute the same instrument.

[SIGNATURES ON FOLLOWING PAGE]

IN WITNESS WHEREOF, the Parties hereto have executed this Agreement as of the Effective Date.

ATTEST:

VILLAGE OF LONG GROVE, an Illinois municipal corporation

Its: _____

By: _____
Its: _____

ATTEST:

PROPERTY OWNER/BUSINESS OWNER:

A _____

By: _____

By: _____

Its: _____

Its: _____

ACKNOWLEDGMENTS

STATE OF ILLINOIS)
) SS.
COUNTY OF MCHENRY)

This instrument was acknowledged before me on _____,
201____, by _____, the _____ of the **VILLAGE OF LONG GROVE**, an
Illinois municipal corporation, and by _____, the Village Clerk of said municipal
corporation.

Signature of Notary

SEAL
My Commission expires:

STATE OF ILLINOIS)
) SS.
COUNTY OF LAKE)

The foregoing instrument was acknowledged before me on
_____ 2016, by _____, the _____ of the
_____, an _____, and by
_____, the _____ of said corporation.

Signature of Notary

SEAL
My Commission expires:

Exhibit A

Legal Description of the Property

Exhibit A-1

Depiction of the Property

Exhibit B

Plans

Exhibit B-1

Further Description of the Improvements