

**CITY OF KEWANEE, ILLINOIS**

**ORDINANCE NO. 3920**

**KEWANEE DOWNTOWN TAX INCREMENT FINANCING DISTRICT**

**AN ORDINANCE APPROVING AND AUTHORIZING  
THE EXECUTION OF A TAX INCREMENT FINANCING  
(TIF) DISTRICT REDEVELOPMENT AGREEMENT**

**by and between**

**THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS**

**and**

**JACKSON PECK FINANCIAL GROUP**

**ADOPTED BY THE MAYOR AND CITY COUNCIL  
OF THE CITY OF KEWANEE, HENRY COUNTY, ILLINOIS  
ON THE 26<sup>TH</sup> DAY OF FEBRUARY, 2018.**

CITY OF KEWANEE, ILLINOIS: ORDINANCE NO. 3920

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THE CITY OF KEWANEE

and

JACKSON PECK FINANCIAL GROUP

The Mayor and City Council of the City of Kewanee, Henry County, Illinois (the “City”), have determined that this Redevelopment Agreement is in the best interest of the citizens of the City of Kewanee.

**THEREFORE**, be it ordained by the Mayor and City Council of Kewanee, Illinois, in the County of Henry, as follows:

1. The TIF Redevelopment Agreement with Jackson Peck Financial Group (the “Developer”) attached hereto as ***Exhibit A*** is hereby approved.
2. The City Manager is hereby authorized and directed to enter into and execute on behalf of the City said Redevelopment Agreement and the City Clerk of the City of Kewanee is hereby authorized and directed to attest such execution.
3. The Redevelopment Agreement shall be effective the date of its approval on the 26<sup>th</sup> day of February, 2018.
4. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

*[the remainder of this page is intentionally blank]*

**PASSED APPROVED AND ADOPTED** by the Mayor and City Council of the City of Kewanee this 26<sup>th</sup> day of February, 2018.

MAYOR AND CITY COUNCIL	AYE VOTE	NAY VOTE	ABSTAIN	ABSENT
Chris Colomer	X			
Andy Koehler	X			
Mike Yaklich		X		
Steve Faber		X		
Steve Looney, Mayor	X			

**APPROVED:** Steve Looney, Date 02/26/ 2018  
 Mayor, City of Kewanee

**ATTEST:** Melinda K Edwards, Date: 02/26/ 2018 City  
 Clerk, City of Kewanee

*Attachment:* **EXHIBIT A.** Redevelopment Agreement by and between the City of Kewanee and Jackson Peck Financial Group

**EXHIBIT A**

**TAX INCREMENT FINANCING  
(TIF) DISTRICT REDEVELOPMENT AGREEMENT**

**by and between**

**THE CITY OF KEWANEE**

**and**

**JACKSON PECK FINANCIAL GROUP**

**TAX INCREMENT FINANCING DISTRICT  
REDEVELOPMENT AGREEMENT**

by and between

**CITY OF KEWANEE, HENRY COUNTY, ILLINOIS**

and

**JACKSON PECK FINANCIAL GROUP**

**KEWANEE DOWNTOWN TAX INCREMENT FINANCING DISTRICT**

**FEBRUARY 26, 2018**

**TIF REDEVELOPMENT AGREEMENT  
BY AND BETWEEN  
CITY OF KEWANEE  
AND  
JACKSON PECK FINANCIAL**

**GROUP KEWANEE DOWNTOWN TIF  
DISTRICT**

**THIS TIF REDEVELOPMENT AGREEMENT** (including Exhibits) (“Agreement”) is entered into this 26<sup>th</sup> day of February, 2018, by the **City of Kewanee** (the “City”), an Illinois Municipal Corporation, Henry County, Illinois, and **Jackson Peck Financial Group** (the “Developer”).

**PREAMBLE**

**WHEREAS**, the City has the authority to promote the health, safety, and welfare of the City and its citizens and to prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of private property thereby increasing the tax base of the City and providing employment for its citizens; and

**WHEREAS**, pursuant to 65 ILCS 5/8-1-2.5, a municipality may appropriate and expend funds for economic development purposes, including without limitation for commercial enterprises that are deemed necessary or desirable for the promotions of economic development within the community; and

**WHEREAS**, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4.4 *et seq.*, as amended (the “Act”), the City has the authority to provide incentives to owners or prospective owners of real property to develop, redevelop, and rehabilitate such property by reimbursing the owners for certain costs from resulting increases in real estate tax revenues; and

**WHEREAS**, on January 12, 2015, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or undeveloped, the City adopted Tax Increment Financing under the Act, approved a Redevelopment Plan and designated a Redevelopment Area known as the **Kewanee Downtown Tax Increment Financing District** (the “TIF District”); and

**WHEREAS**, one such property is owned by the Developer and located at 121 South Main Street, Kewanee, Illinois, currently PIN # 20-33-184-010 (the “Property”) and said Property is in need of development and integral to the development of the TIF District; and

**WHEREAS**, the Developer owns said Property and is proceeding with plans to undertake the repaving and repair of the existing parking lot and sidewalk located thereon (the “Project”) based upon incentives made available by the City; and

**WHEREAS**, it is the intent of the City to encourage economic development which will increase the real estate tax, which increased taxes will be used, in part, to finance incentives to assist this Developer’s Project; and

**WHEREAS**, the City has the authority under the Act to incur Redevelopment Project Costs (“Eligible Project Costs”) and to reimburse Developer for such costs; and

**WHEREAS**, the Developer has requested that incentives for the development be provided by the City from incremental increases in real estate taxes of the City and its Project and that such incentives include the reimbursement of Eligible Project Costs; and

**WHEREAS**, the City has determined that this Project requires the incentives requested and that said Project will, as a part of the Plan, promote the health, safety and welfare of the City and its citizens by attracting private investment to prevent blight and deterioration, to develop underutilized property, and to provide employment for its citizens and generally to enhance the economy of the City; and

**WHEREAS**, the City and the Developer (the “Parties”) have agreed that the City shall provide a forgivable loan to the Developer for the reimbursement of the Developer’s TIF Eligible Project Costs (*Exhibit 2, “Promissory Note”*) of an amount not to exceed **Seven Thousand Five Hundred and No/100 Dollars (\$7,500.00)** to be paid from the Kewanee Downtown TIF District Special Tax Allocation Fund as specified below in *Section C, Incentives*; and

**WHEREAS**, in no event shall cumulative maximum reimbursements for the Developer’s TIF Eligible Project Costs under this Agreement exceed **Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00)**; and

**WHEREAS**, the City is entering into this Agreement to induce the Developer to acquire the Property and complete the Project; and

**WHEREAS**, in consideration of the execution of this Agreement and in reliance thereon, the Developer has proceed with its plans to complete the Project as set forth herein.

### **AGREEMENTS**

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

#### **A. PRELIMINARY STATEMENTS**

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement, and are to be construed as binding statements of this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.
3. The Developer shall remain in compliance with all municipal ordinances relating to property development, property condition, zoning, subdivision and building codes. Failure to cure the violation of any such ordinance within thirty (30) days upon being provided written notice of the same by the City shall be cause for the City to declare the Developer in Default and unilaterally terminate this Agreement, except where such failure is not reasonably susceptible to cure within such 30-day period, in which case the Developer shall have such additional time to cure as is reasonably necessary, provided that the Developer has commenced such cure within such 30-day period and continues to diligently prosecute the same to completion.

4. The Developer shall complete the Project within nine (9) months from the date this Agreement is executed, subject to extension due to Force Majeure (defined below).
5. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

## B. ADOPTION OF TAX INCREMENT FINANCING

The City has created a Tax Increment Financing District known as the “Kewanee Downtown TIF District” which includes the Developer’s Property. The City has approved certain Redevelopment Project Costs, including the types described in *Exhibit 1* for the Developer’s Project which shall be known as the “**Jackson Peck Financial Group Project**”.

## C. INCENTIVES

In consideration for the Developer completing the Jackson Peck Financial Group Project, the City agrees to extend to Developer the following incentives to assist Developer’s Project:

1. The City agrees to loan to the Developer (also, the “Borrower”) by separate Promissory Note (attached hereto as *Exhibit “2”*) the sum of **Seven Thousand Five Hundred Dollars (\$7,500.00)** from the Kewanee Downtown TIF District Special Tax Allocation Fund for TIF Eligible Project Costs incurred as a result of the Developer’s Project. The terms and conditions for the Loan shall be as follows:
  - a. The full Loan amount of \$7,500.00 shall be paid to the Developer from the Kewanee Downtown TIF District Special Tax Allocation Fund within thirty (30) days following the execution of this Agreement, or upon verification of a minimum of \$7,500 of TIF Eligible Project Costs pursuant to *Section E* below, whichever occurs later.
  - b. A separate Promissory Note is attached as *Exhibit “2”*.
  - c. The interest rate for the Loan shall be Three Percent (3%) per annum, and shall begin to accrue on the date the Loan funds are dispersed to the Developer.
  - d. The term of the Loan shall expire on February 28, 2023.
  - e. One-fifth (1/5) of the principal of the Loan amount, plus any accrued interest thereon, shall be forgiven annually by the City commencing February 28, 2019 and continuing on February 28<sup>th</sup> of each year thereafter for the term of the Loan, provided the Developer has been at all times in full compliance with every term of this Agreement, including the following:
    - i. The Developer agrees to commercial operation of a financial advisor office located on the Property.
    - ii. The Developer shall annually provide verification of the payment of the real estate taxes for the property.



- iii. The Developer does not file for bankruptcy or otherwise become insolvent.
- iv. The Property is not the subject of foreclosure proceedings.
- v. The Developer does not sell or otherwise convey the Property during the term of the Loan.
- vi. The Developer shall not file any challenge, appeal or similar action which seeks to reduce the equalized assessed value of the property.

#### **D. LIMITATION OF INCENTIVES TO DEVELOPER**

1. In no event, shall the maximum cumulative reimbursements for the Developer's TIF Eligible Project Costs pursuant to *Section C(1)* above exceed Seven Thousand Five Hundred Dollars and No Cents (\$7,500.00) as set forth herein.
2. It is not contemplated that, nor is the City obligated, to use any of its proportionate share of the monies generated by this Project for any of Developer's Eligible Project Costs, but rather the City shall use such sums for any purpose under the Act as it may in its sole discretion determine.

#### **E. PAYMENT OF ELIGIBLE PROJECT COSTS**

1. Payment to the Developer for Eligible Project Costs as set forth by the Act shall be made by a Requisition for Payment of Private Development Redevelopment Costs ("Requisition") submitted from time to time to Jacob & Klein, Ltd. and the Economic Development Group, Ltd. (collectively the "Administrator") and subject to their approval of the costs and availability of funds in the Special Account.
2. All Requisitions must be accompanied by verified bills or statements of suppliers, contractors, or professionals together with mechanic's lien waivers (whether partial or full) from each of the parties entitled to a payment that is the subject of the Requisition as required by the City.
3. In order for the Developer to receive reimbursement of TIF Eligible Project Costs for costs it has incurred in any year as set forth in *paragraphs 1 and 2* above, the Developer must submit such proposed Eligible Project Costs to the City by March 1 of the following year. If there are no accumulated outstanding Eligible Project Costs previously submitted and approved by the City and if the Developer does not submit such proposed Eligible Project Costs by this deadline, the Developer will forfeit reimbursement of such costs from the prior year's real estate tax increment to be paid in the current year. Any approved Eligible Project Costs submitted after this deadline will be eligible for reimbursement from next year's real estate tax increment receipts.
4. Any real estate tax increment not required to be paid to the Developer under the terms of *paragraph 3* above shall be available to the City for any purpose set forth in the TIF Plan and allowed by the Act.

5. The Developer shall use such sums as reimbursement for TIF Eligible Project Costs only to the extent permitted by law and the Act and may allocate such funds for any purpose for the Term of this Agreement or the term of the TIF District whichever is longer.
6. The Administrator shall approve or disapprove a Requisition by written receipt to the Developer within thirty (30) business days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld. If a Requisition is disapproved by the Administrator, the reasons for disallowance will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be required and the same procedures set forth herein shall apply to such re-submittals.
7. All TIF Eligible Project Costs approved shall then be paid by the City from the TIF District Special Tax Allocation Fund to the Developer, or to others as directed by the Developer, pursuant to the Redevelopment Plan and as allowed by Illinois Law. The City shall pay such approved TIF Eligible Project Costs provided the Developer has satisfied the terms of this Agreement and costs which exceed the amount available in the TIF District Special Tax Allocation Fund to pay the Developer shall carry forward until paid without further action of the Developer. Payments shall be made within forty-five (45) days after approval of the TIF Eligible Project Costs subject to the terms of this Agreement and after receipt of the increment generated by the TIF District into the TIF District Special Tax Allocation Fund.
8. The Parties acknowledge that the determination of TIF Eligible Project Costs, 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. The City has no obligation to the Developer to attempt to modify those decisions, but will reasonably assist the Developer in every respect to obtain approval of Eligible Project Costs.
9. The Developer may submit for prior approval by the City as TIF Eligible Project Costs under the Act estimates of costs before they are incurred subject to later confirmation by actual bills.

#### F. VERIFICATION OF TAX INCREMENT

1. It shall be the sole responsibility of the Developer to provide to the City as requested the following:
  - A. Copies of all **PAID** annual real estate tax bills for the Property.
2. The failure of Developer to provide any information required herein after notice from the City, including verification of Eligible Project Costs, and the continued failure to provide such information within thirty (30) days after such notice, shall be considered a material breach of this Agreement and shall be cause for the City to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

#### G. LIMITED OBLIGATION

The City's obligation hereunder to pay the Developer for its TIF Eligible Project Costs is a limited obligation to be paid solely from the TIF District Special Tax Allocation Fund. Said obligation does not now and shall never constitute an indebtedness of the City within the meaning of any State of Illinois constitutional or statutory provision, and shall not constitute or give rise to a pecuniary liability of the City or a charge or lien against any City fund or give rise to the City's general credit or taxing power.

## **H. LIMITED LIABILITY OF CITY TO OTHERS FOR DEVELOPER'S EXPENSES**

There shall be no obligation by the City to make any payments to any person other than the Developer, nor shall the City be obligated to make direct payments to any other contractor, subcontractor, mechanic or materialman providing services or materials to the Developer for the Project. This Agreement shall not create any third-party rights and the Developer shall indemnify and hold the City harmless on any claims arising out of the Developer's construction activities.

## **I. COOPERATION OF THE PARTIES**

The City and the Developer agree to cooperate fully with each other when requested to do so concerning the development of the Developer's Project. This includes without limitation the City assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, or subsidy which may be available as the result of the Developer's or City's activities. This also includes without limitation the Developer assisting or sponsoring the City, or agreeing to jointly apply with the City, for any grant, award or subsidy which may be available as the result of the City's or Developer's activities.

## **J. DEFAULT; CURE; REMEDIES**

In the event of a default under this Agreement by any party hereto (the "Defaulting Party"), which default is not cured within the cure period provided for below, then the other party (the "Non-defaulting Party") shall have an action for damages, or in the event damages would not fairly compensate the Non-defaulting Party's for the Defaulting Party's breach of this Agreement, the Non-defaulting Party shall have such other equity rights and remedies as are available to them at law or in equity. Any damages payable by the City hereunder shall be limited to the real estate tax increment payable to the Developer under the terms of this Agreement.

In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this Agreement, it shall not be deemed to be in default under this Agreement unless it shall have failed to perform such monetary covenant within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying that it has failed to perform such monetary covenant. In the event a Defaulting Party fails to perform any non-monetary covenant as and when it is required to under this Agreement, it shall not be deemed to be in default if it shall have cured such default within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying the nature of the default, provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, it shall not be deemed to be in default if it commences curing within such thirty (30) days period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

## **K. TIME; FORCE MAJEURE**

For this Agreement, time is of the essence. The Developer agrees to complete the Project within nine (9) months following the execution of this Agreement. Failure to do so shall be cause for the City to declare the Developer in default and unilaterally terminate the Agreement. However, the Developer and the City shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if the Developer or City 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 interruptions of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by the City (or the City's agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or the City.

## **L. ASSIGNMENT**

The rights and obligations of the Developer under this Agreement shall not be assignable.

## **M. 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 of remedy does so in writing.

No such waiver shall obligate such party to waive any right of remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

## **N. 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.

## **O. 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 (3<sup>rd</sup>) 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:**

Jackson Peck Financial Group  
5030 North 1200<sup>th</sup> Avenue  
Orion, Illinois 61237

### **To City:**

City Clerk  
401 E. Third Street  
Kewanee, Illinois 61443  
Telephone: (309) 852-2611

### *With copy to:*

Jacob & Klein, Ltd.  
Economic Development Group, Ltd.  
1701 Clearwater Avenue  
Bloomington, Illinois 61704  
Telephone: (309)664-7777

## **P. SUCCESSORS IN INTEREST**

Subject to the Provisions of *Section L* above, this Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

## **Q. 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.

## **R. INDEMNIFICATION OF City**

It is the understanding of the Parties that the position of the Illinois Department of Labor is that the Illinois Prevailing Wage Act does not apply to TIF increment received by developers as reimbursement for private TIF Eligible Project Costs. This position of the Department of Labor is stated as an answer to a FAQ on its website at: <https://www.illinois.gov/idol/FAQs/Pages/prevailing-wage-faq.aspx>. The Developer shall indemnify and hold harmless the City, and all City elected or appointed officials, officers, employees, agents, representatives, engineers, consultants and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Illinois Prevailing Wage Act (820 ILCS 130/0.01 et. seq.), the Illinois Procurement Code, and/or any similar State or Federal law or regulation. In addition, the Developer agrees to indemnify and hold harmless the City for any claim asserted against the City arising from the Developer's Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to the Developer hereunder. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of City, including but not limited to the reasonable attorney fees of City.

## **S. ENTIRE AGREEMENT**

The terms and conditions set forth in this Agreement and exhibits attached hereto supersede all prior oral and written understandings and constitute the entire agreement between the City and the Developer with respect to the subject matter hereof.

## **T. WARRANTY OF SIGNATORIES**

The signatories of Developer warrant full authority to both execute this Agreement and to bind the entity in which they are signing on behalf of.

## **U. TERM OF THE AGREEMENT**

This Agreement shall expire on February 28, 2023. The Agreement shall expire sooner if the Developer files for bankruptcy or otherwise becomes insolvent, the Property becomes the subject of foreclosure proceedings or upon any other default by the Developer of this Agreement.

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

**CITY OF KEWANEE, ILLINOIS, an  
Illinois Municipal Corporation.**

**JACKSON PECK FINANCIAL GROUP.**

By: \_\_\_\_\_  
City Manager

By: \_\_\_\_\_  
**Christian Jackson**

**ATTEST:**

*Melinda K Edward*  
\_\_\_\_\_  
City Clerk

**EXHIBIT 1**

**SUMMARY OF ESTIMATED TIF ELIGIBLE PROJECT COSTS**

**JACKSON PECK FINANCIAL GROUP  
“Jackson Peck Financial Group Project”**

Kewanee Downtown TIF District, City of Kewanee, Henry County, Illinois

Project Description: Developer has acquired the Property and is proceeding with plans to repave and repair the existing parking lot and sidewalk located thereon.

Location: 121 South Main Street, Kewanee,

Illinois Parcel Number: 20-33-184-010

**Estimated TIF Eligible Project Costs:**

Rehabilitation and Renovation Costs ..... \$7,500

**Total Estimated Eligible Project Costs ..... \$7,500**

\*The Developer’s total reimbursement of TIF Eligible Project Costs under *Section C* of the Agreement shall not exceed **\$7,500.00**.

**EXHIBIT 2**

**PROMISSORY NOTE**



## PROMISSORY NOTE

FOR VALUE RECEIVED, Jackson Peck Financial Group (the "Borrower"), promises to pay the City of Kewanee, Henry County, Illinois, an Illinois Municipal Corporation ("Lender") the principal sum of Seven Thousand Dollars (\$7,500.00) with interest accruing on the unpaid principal at the rate of three percent (3%) per annum. The aforementioned principal sum represents monies loaned by the Lender to the Borrower for the reimbursement of Borrower's TIF Eligible Project Costs, specifically redevelopment project costs, incurred as a result of a Redevelopment Project located at 329 North Main Street, Kewanee, Illinois (PIN # 20-33-184-010) (the "Property"), within the Redevelopment Project Area and that is the subject of a Tax Increment Financing District Redevelopment Agreement between the City of Kewanee and Jackson Peck Financial Group (the "Redevelopment Agreement") entered into the 26<sup>th</sup> day of February, 2018.

The term of this Promissory Note shall commence on the date the Redevelopment Agreement is executed between the Borrower and the Lender and end on February 28, 2023.

Provided that the Borrower is at all times in compliance with the Redevelopment Agreement and this Promissory Note, One-Fifth (1/5) of the principal balance of \$7,500.00, plus any accrued interest thereon, shall be forgiven by the Lender each year during the term of this Promissory Note, with the first date of forgiveness being February 28, 2019 and continuing on February 28<sup>th</sup> each year thereafter for the term of this Promissory Note. Provided that the Borrower does not Default or otherwise breach this Promissory Note or the Redevelopment Agreement, the full principal amount of this Promissory Note, plus any accrued interest thereon, shall be forgiven on the expiration of this Promissory Note.

The Borrower shall be deemed in Default of this Promissory Note, if the Borrower:

- 1) The Borrower fails to maintain commercial operations located on the Property for the Term of the Promissory Note;
- 2) Sells or otherwise conveys the subject Property during the term of this Promissory Note;
- 3) Files for bankruptcy or otherwise becomes insolvent during the term of this Promissory Note;
- 4) Fails to provide annual verification that the ad valorem real estate taxes for the subject Property have been paid;
- 5) If the Property becomes the subject of foreclosure proceedings;
- 6) If the Developer files any challenge, appeal or similar action which seeks to reduce the equalized assessed value of the Property.

In the event the Borrower is in Default under the terms of this Promissory Note or the Redevelopment Agreement and does not cure said default or breach on or before the thirtieth (30<sup>th</sup>) day after Lender gives Borrower written notice of Default thereof by personal delivery or certified mailing, the outstanding principal amount, plus any accrued interest thereon, is immediately due to the Lender and the Lender shall be entitled to all remedies permitted by law. Notice shall be deemed given on the date of personal delivery or date of mailing, whichever applies. No delay or failure in giving notice of said Default or breach shall constitute a waiver of the right of the Lender to exercise said right in the event of a subsequent or continuing Default or breach. Furthermore, in the event of such Default or breach, Borrower promises to reimburse Lender for all collection and/or litigation costs incurred by the City, including reasonable attorney fees and court costs, whether judgment is rendered or not.

This Promissory Note has been entered into and shall be performed in the City of Kewanee, Henry County, Illinois, and shall be construed in accordance with the laws of Illinois and any applicable federal statutes or regulations of the United States. Any claims or disputes concerning this Note shall, at the sole election of the Lender, be adjudicated in Henry County, Illinois.

**BORROWER:**  
JACKSON PECK FINANCIAL GROUP

BY: \_\_\_\_\_  
Christian Jackson

**LENDER:**  
CITY OF KEWANEE

BY: \_\_\_\_\_  
City Manager, City of Kewanee

ATTEST: Melinda K Edwards  
City Clerk, City of Kewanee

DATE: \_\_\_\_\_

**EXHIBIT 3**

**CITY OF KEWANEE, ILLINOIS  
KEWANEE DOWNTOWN TIF DISTRICT**

**PRIVATE PROJECT  
REQUEST FOR REIMBURSEMENT  
BY  
JACKSON PECK  
FINANCIAL GROUP**

Date \_\_\_\_\_

Attention: City TIF Administrator, City of Kewanee, Illinois

Re: TIF Redevelopment Agreement, dated February 26, 2018 by and between the City of Kewanee, Illinois, and Jackson Peck Financial Group (the "Developer")

The City of Kewanee is hereby requested to disburse funds from the Special Tax Allocation Fund pursuant to the Redevelopment Agreement described above in the following amount(s), to the Developer and for the purpose(s) set forth in this Request for Reimbursement. The terms used in this Request for Reimbursement shall have the meanings given to those terms in the Redevelopment Agreement.

1. REQUEST FOR REIMBURSEMENT NO. \_\_\_\_\_
2. PAYMENT DUE TO: Jackson Peck Financial Group
3. AMOUNTS REQUESTED TO BE DISBURSED:

Description of TIF Eligible Project Cost	Amount
Total	

4. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Developer for Redevelopment Project Costs for the Project detailed in *Exhibit "1"* of the Redevelopment Agreement.
5. The undersigned certifies and swears under oath that the following statements are true and correct:

- (i) the amounts included in (3) above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the construction contracts, plans and specifications heretofore in effect; and
- (ii) the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for TIF Eligible Redevelopment Project Costs; and
- (iii) the expenditures for which amounts are requested represent proper Redevelopment Project Costs as identified in the "Limitation of Incentives to Developer" described in Section "D" of the Redevelopment Agreement; have not been included in any previous Request for Reimbursement; have been properly recorded on the Developer's books; are set forth with invoices attached for all sums for which reimbursement is requested; and proof of payment of the invoices; and
- (iv) the amounts requested are not greater than those necessary to meet obligations due and payable or to reimburse the Developer for its funds actually advanced for Redevelopment Project Costs; and
- (v) the Developer is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.

Any violation of this oath shall constitute a default of the Redevelopment Agreement and shall be cause for the City to unilaterally terminate the Redevelopment Agreement.

6. Attached to this Request for Reimbursement is *Exhibit "1"* of the Redevelopment Agreement, together with copies of invoices, proof of payment of the invoices, and Mechanic's Lien Waivers relating to all items for which reimbursement is being requested.

BY: \_\_\_\_\_ (Developer)

TITLE: \_\_\_\_\_

**CITY OF KEWANEE, ILLINOIS**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

**JACOB & KLEIN, LTD. & THE ECONOMIC DEVELOPMENT GROUP, LTD.**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_