

CITY OF LeROY

ILLINOIS

CITY  
COPY

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ORDINANCE NO. <sup>207</sup> 207

AN ORDINANCE AUTHORIZING AND DIRECTING THE EXECUTION OF A  
PRE-ANNEXATION AGREEMENT BETWEEN THE CITY OF LEROY, ILLINOIS, AND  
PRAIRIE STATE BANK, TRUSTEE UNDER ILLINOIS LAND TRUST NO. PSB 1047.

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ADOPTED BY THE

CITY COUNCIL

OF THE

CITY OF LeROY

THIS 6th DAY OF July, 19 84.

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Published in pamphlet form by authority of the  
City Council of the City of LeRoy, McLean County,  
Illinois, this 6th day of July,

19 84.

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ORDINANCE NO. 207

AN ORDINANCE AUTHORIZING AND DIRECTING THE EXECUTION OF A PRE-ANNEXATION AGREEMENT BETWEEN THE CITY OF LE ROY, ILLINOIS, AND PRAIRIE STATE BANK, TRUSTEE UNDER ILLINOIS LAND TRUST NO. PSB 1047.

Whereas, the Mayor and City Council of the City of LeRoy, McLean County, Illinois, an Illinois municipal corporation, have determined that it will be in the best interests of the city and its residents to annex that territory contiguous to the city and pertaining to the development known as the LeRoy Auto/Truck Plaza, LeRoy, McLean County, Illinois; and

Whereas, the owner of the property described by the aforesaid LeRoy Auto/Truck Plaza development has proposed that a Pre-Annexation Agreement be entered into between itself and the City of LeRoy, Illinois; and

Whereas, Chapter 24, Paragraph 11-15.1-1, et seq., Illinois Revised Statutes, 1983 (as amended), provides for the adoption of a pre-annexation agreement between the owner of property and an Illinois municipal corporation; and

Whereas, in accordance with the requirements of Chapter 24, Paragraph 11-15.1-3, Illinois Revised Statutes, 1983 (as amended), a public hearing was held by the corporate authorities of the City of LeRoy at 7:30 p.m., on June 25, 1984, at the City Hall in LeRoy, Illinois, said hearing being held upon the proposed annexation agreement filed by Prairie State Bank with the city, notice having been given in the LeRoy Journal on June 7, 1984, being not more than 30 days before the aforesaid hearing date and not less than 15 days before the aforesaid hearing date; and

Whereas, the corporate authorities of the City of LeRoy, after reviewing the proposed agreement, considering all matters submitted and discussed at the public hearing, and finding the proposed Annexation Agreement, as amended, and in the form attached hereto as Exhibit 1 to be in the best interests of the City of LeRoy and of its residents,

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the City of LeRoy, Illinois, in lawful meeting assembled:

Section 1. That the PRE-ANNEXATION AGREEMENT attached hereto as Exhibit 1 is hereby adopted by the City of LeRoy, Illinois, and the Mayor and City Clerk are hereby authorized and directed to execute the original and one copy of the same, and to return an executed copy of the Annexation Agreement to Prairie State Bank.

Section 2. That this ordinance shall be in full force and effect from and after its approval, passage and publication in pamphlet form as provided by law.

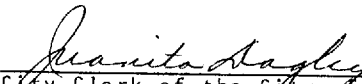
PASSED by the Mayor and City Council of the City of LeRoy, Illinois, on the 6th day of July, 1984.

Aldermen elected 6

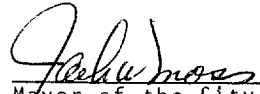
Aldermen present 6

AYES Patrick Derby, Gary Builta, Jon Winston, Michael Hanafin, Michael Hillard, David King

NAYS None

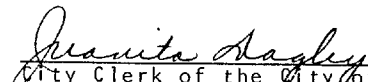
  
City Clerk of the City of LeRoy

Approved by the Mayor of the City of LeRoy, Illinois, this  
6th day of July, 1984.

  
\_\_\_\_\_  
Mayor of the City of LeRoy,  
Illinois

ATTEST:

(seal)

  
\_\_\_\_\_  
City Clerk of the City of  
LeRoy, Illinois

ANNEXATION AGREEMENT

THIS AGREEMENT is entered into and between the CITY OF LEROY, McLean County, Illinois, hereinafter referred to as "CITY", and PRAIRIE STATE BANK OF BLOOMINGTON, Trustee under Land Trust No. PSB 1047, hereinafter referred to as "OWNER." The parties agree that effective on this 6th day of July, 1984, to this Annexation Agreement.

RECITALS

A. Owner is the owner of record of the premises hereinafter described on Exhibit 1 attached hereto and made a part hereof.

B. CITY is desirous of having the property annexed to CITY and developed by OWNER. OWNER is desirous of annexing to CITY under the terms and conditions of this Agreement whose terms are a condition of OWNER's annexation.

C. Said premises are not within the corporate limits of any municipality but are contiguous to CITY.

D. OWNER is desirous of having the premises zoned C-2 (Highway Commercial) upon annexation to CITY with provision for liquor sales as allowed under the present Class "D" liquor license provisions of CITY.

E. The Development site is a vacated farm implement dealership which, when in operation, paid no real estate taxes, retailer's occupation tax or use taxes to CITY.

F. The site could be developed in the County rather than in CITY without the benefit of CITY's control of the development; without the benefit to CITY of Retailer's Occupation and/or Use Taxes or real estate taxes; and without other desirable factors including the development of adequate parking, storm drainage, sewer connection and other public utilities.

G. It is in the best interests of CITY and people of LeRoy to assist OWNER in obtaining a \$400,000 Community Development Assistance Program (CDAP) Grant from the State of Illinois for the development of the LeRoy Auto/Truck Plaza on the site. Upon obtaining such Grant, the funds shall remain with CITY and may be used to further economic development including the extension of sanitary sewer facilities south under Interstate 74 to the premises.

It is also in the best interests of the people and of the City of LeRoy to agree with OWNER to repay said CDAP loan (which shall carry a 5% per annum, simple interest rate) from CITY's Retailers' Occupation and/or Use Taxes over the loan period of the Grant and at the same interest rate to permit the Grant to be used for additional economic development. OWNER has agreed in its application to request an accelerated loan period of 10 years maturity to assist CITY in its re-use of Grant funds for future projects.

Exhibit 1

Upon obtaining the CDAP Grant, OWNER will give CITY a mortgage on the project to secure the full sum of the Grant and interest thereon subject only to private mortgages totalling not more than \$250,000.

H. It is also in the best interests of CITY and the people that adequate parking at the site be provided together with surfacing and lighting of the parking area for the safety of the public due to the large number of vehicles attracted to the site and, further, to provide adequate storm water drainage, sewer facilities and CITY water to the site, and OWNER has proposed to construct such improvements on the site and on land to be acquired adjacent thereto notwithstanding that the improvements could be constructed and designed without such features and outside the control of CITY.

Should CITY not obtain the CDAP Grant referred to in Paragraph G above, it is in the best interests of the people and of CITY to insure the development of the LeRoy Auto/Truck Plaza and, therefore, to make repayment of a loan of OWNER in the amount of \$400,000 from CITY's Retailers' Occupation and/or Use Tax by payment of 80% of the Retailers' Occupation and/or Use Taxes of CITY received by CITY and attributable to sales made by any business located on the subject premises and Lots 1-A and 1-B of Buckles Grv. Bi-Cen. Ad.\* subdivision of CITY, over the terms of this Agreement amortized over 10 years and at an interest rate equal to that paid by OWNER.

I. OWNER desires to have CITY waive its front yard zoning requirements restricting front yard parking and permit OWNER to park to the front yard line.

J. CITY shall include the premises in its Tax Increment Financing District proposed to be established. In addition, to further secure the payments under Paragraphs G and H above, CITY will pledge 80% of the funds of the Tax Increment Financing District attributable to the increased tax base on the subject premises and Lots 1-A and 1-B of Bckls. Grv. Bi-Cn. Ad. to make such payments if necessary.

K. OWNER has given all notices required to be given by Section 7-1-1 of the Illinois Municipal Code (Illinois Revised Statutes, 1983, Chapter 24, Section 7-1-1).

#### AGREEMENT

THEREFORE, the parties hereto agree as follows:

1. CITY agrees to annex the subject premises and adjacent highway right-of-way to CITY pursuant to State Statute.
2. CITY agrees to zone said premises C-2, Highway-Commercial, with liquor sales restrictions only as provided under the present Class "D" liquor license provisions of CITY's liquor control ordinance, being Chapter 34, Municipal Code of LeRoy 1975 (as amended), and not to change or alter the zoning unless requested by OWNER or with OWNER's consent during the period of this Agreement.

\*Buckles Grove Bi-Centennial Addition to the City of LeRoy, hereinafter referred to as Bckls. Grv. Bi-Cn. Ad.

3. CITY agrees to create a Tax Increment Financing District to include the subject premises, and include lots 1-A and 1-B of Bckls. Grv. Bi-Cn. Ad.

4. OWNER agrees that upon the execution of this Agreement, OWNER will petition for the annexation of the subject premises to CITY.

5. CITY agrees to waive its front yard parking restrictions in the applicable zoning code and permit parking to the front yard lot line.

6. (A) CITY agrees to assist OWNER in every reasonable way to obtain a \$400,00 Community Development Assistance Program (CDAP) Grant from the State of Illinois for the development of the LeRoy Auto/Truck Plaza. Upon obtaining said Grant CITY will, in turn, loan the full amount of the Grant to OWNER (or others at its direction, but as to such direction, only for the purpose of developing or further developing LeRoy Auto/Truck Plaza) at a rate of 5% per annum, simple interest. OWNER agrees to request a 10 year loan amortization to assist CITY in the re-use of the loan funds for further economic development in CITY. CITY agrees to repay to OWNER this loan amount over the period of the loan and at the same interest rate by payment of 80% of the Retailers' Occupation and/or Use Taxes of CITY received by CITY and attributable to sales made by any business located on the subject premises and lots 1-A and 1-B of Bckls. Grv. Bi-Cn. Ad., a subdivision of CITY.

(B) If the CDAP Grant is not received by CITY, CITY agrees to repay OWNER its loan (upon those terms as set forth in this Paragraph 6) of \$400,000 at the interest rate paid by OWNER, amortized over a 10 year period to assure payments before the termination of this Agreement. It is agreed that this sum is the cost of public improvements made on the premises as set forth in Paragraph II ("Recitals") and OWNER agrees, if this sub-paragraph (B) becomes applicable, to dedicate such areas to the public and CITY, but to continue the obligation to maintain and repair such areas.

(C) CITY also agrees to pledge and pay to OWNER 80% of the funds received through its Tax Increment Financing District attributable to increased (above the "base year") incremental assessments from any taxable real property located on the subject premises and on Lots 1-A and 1-B of Bckls. Grv. Bi-Cn. Ad., for the repayment of the aforesaid loan or Grant, to the extent that CITY's pledge of Retailers' Occupation and/or Use Taxes as set forth in Paragraph 6(A) above is not sufficient to repay the annual installments due on the loan or Grant.

(D) Should the total Retailer's Occupation and/or Use Taxes and the TIF funds exceed the sums needed to repay the loan or Grant annually, then only the sum needed to make such payment shall be paid over to OWNER.

(F) Should the total of the aforesaid taxes and funds be insufficient to make such payments in any year, the deficiency created shall accrue to succeeding years. However, in no event shall CITY be obligated to pay to OWNER, either for repayment of the loan or the Grant, more than the annual sum for 10 years of 80% of CITY's Retailers' Occupation and/or Use Taxes received by CITY and attributable to sales made by any business located on the subject premises and Lots 1-A and 1-B of Bckls. Grv. Bi-Cn. Ad., and 80% of the funds received by CITY from its Tax Increment Financing District attributable to increased (above the "base year") incremental assessments from any taxable real property located on the subject premises and on Lots 1-A and 1-B of Bckls. Grv. Bi-Cn. Ad.

(F) The parties agree that the maximum amount due each year under this Agreement by CITY to OWNER shall be the annual installment of principal and interest due OWNER for that year plus any deficiency and interest thereon remaining unpaid from any preceding year. Any deficiency shall accrue interest at the current rate of the underlying loan or Grant.

(G) This Agreement shall be extended and be in effect for ten (10) years from the date first written above, and the parties acknowledge that payment of all or any portion of the aforesaid taxes and funds due OWNER for the tenth year shall be made upon receipt of such monies by CITY which event may occur in the eleventh year after the date first written above.

(H) Upon obtaining the Grant, CITY will use its best efforts to extend the sanitary sewer south of Interstate 74 and to the development site.

(I) OWNER shall, upon the receipt of the CDAP Grant, give CITY a mortgage on the premises and improvements subject only to prior private mortgages totalling not more than \$250,000. The repayment of the CDAP Grant shall be guaranteed by the General Corporate Partner of LeRoy Auto/Truck Plaza Associates, the proposed successor in interest to OWNER.

7. The parties acknowledge that this Agreement is contingent on the occurrence of (1) the CDAP Grant, (2) Rezoning as requested, (3) Annexation (4) Establishment of a Tax Increment Financing District as set forth in RECITALS, (5) the rebate of 80% of CITY's Retailers' Occupation and/or Use Taxes received by CITY and attributable to sales made by any business located on the subject premises and Lots 1-A and 1-B of Bckls. Grv. Bi-Cn. Ad., and (6) pledge of 80% of funds received by CITY through its Tax Increment Financing District attributable to increased incremental assessments, above the "base year", from any taxable real property located on the subject premises and on Lots 1-A and 1-B of Bckls. Grv. Bi-Cn. Ad., to repay the CDAP loan or OWNER's private financing, as well as the other terms contained herein. Each condition precedent may only be waived by OWNER. Should any lawsuit be filed against CITY or OWNER contesting any of the Grant or conditions herein, OWNER reserves the right at any time to cancel this Agreement.

8. This Agreement shall be binding on the parties, their successors or assigns. OWNER reserves the right at any time to assign any part or all of this Agreement. Consent of CITY shall be required to obtain release of liability of any Guarantor on the CDAP Grant repayment. Such consent shall not be unreasonably withheld by CITY.

WHEREFORE, the parties hereto have set their hands and seals  
the day and year first written above.

CITY OF LEROY

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

ATTEST:

(seal)

\_\_\_\_\_  
City Clerk of the City of LeRoy

PRAIRIE STATE BANK OF BLOOMINGTON  
as Trustee under Land Trust No.  
PSB 1047

By: Thomas H. Davis  
*Trustee's Attorney*

ATTEST:

\_\_\_\_\_



STATE OF ILLINOIS)  
                                  )  SS  
COUNTY OF McLEAN )


I, Juanita Dagley, do hereby certify that I am the duly qualified and acting City Clerk of the City of LeRoy, 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 an ordinance entitled:

**AN ORDINANCE AUTHORIZING AND DIRECTING THE EXECUTION OF A PRE-ANNEXATION AGREEMENT BETWEEN THE CITY OF LEROY, ILLINOIS, AND PRAIRIE STATE BANK, TRUSTEE UNDER ILLINOIS LAND TRUST NO. PSB 1047.**

That said ordinance was adopted by the Mayor and City Council of the City of LeRoy at a regular meeting on the 6th day of July, 1984, and that a faithful record of said ordinance has been made in the record books.

Dated this 6th day of July, 19 84.

  
*Juanita Dagley*  
\_\_\_\_\_  
City Clerk

(seal)

CERTIFICATE

I, Juanita Dagley, certify that I am the duly elected and acting municipal clerk of the City of LeRoy, McLean County, Illinois.

I further certify that on July 6th, 19 84, the Corporate Authorities of such municipality passed and approved Ordinance No. 207, entitled:

AN ORDINANCE AUTHORIZING AND DIRECTING THE EXECUTION OF A PRE-ANNEXATION AGREEMENT BETWEEN THE CITY OF LE ROY, ILLINOIS, AND PRAIRIE STATE BANK, TRUSTEE UNDER ILLINOIS LAND TRUST NO. PSB 1047.

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

The pamphlet form of Ordinance No. 207, including the Ordinance and a cover sheet thereof was prepared, and a copy of such Ordinance was posted in the municipal building, commencing on July 6th, 19 84, 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 6th day of July, 19 84.

(seal)

Juanita Dagley  
Municipal Clerk