

City

CITY OF LEROY
COUNTY OF MCLEAN
STATE OF ILLINOIS

ORDINANCE NO. 631

**AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT
WITH C.F.F., INC., FOR THE CITY OF LEROY FIRST TAX
INCREMENT FINANCING DISTRICT**

ADOPTED BY THE CITY COUNCIL OF THE CITY OF LE ROY
THIS 2nd DAY OF October, 1995

PRESENTED: October 2, 1995
PASSED: October 2, 1995
APPROVED: October 2, 1995
RECORDED: October 2, 1995
PUBLISHED: October 2, 1995

In Pamphlet Form

Voting "Aye" 5
Voting "Nay" 0

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

(SEAL)

X. Juanita Dagle
City Clerk of the City of LeRoy,
McLean County, Illinois

Dated: October 2, 1995.

**AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT
WITH C.F.F., INC., FOR THE CITY OF LEROY FIRST TAX
INCREMENT FINANCING DISTRICT**

WHEREAS, the Mayor and City Council of the City of LeRoy, McLean County, Illinois, an Illinois municipal corporation, have determined that it is in the best interest of the city and its residents to enter into a REDEVELOPMENT AGREEMENT with C.F.F., Inc., for the redevelopment of real estate as described in Exhibit "A," attached hereto and incorporated herein; and

WHEREAS, said real estate is located in the "LeRoy First Tax Increment Financing District; and

WHEREAS, the developer, C.F.F., Inc., has proposed an agreement as set forth in the attached Exhibit "A," for the redevelopment of the real estate described therein,

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

Section 1. The agreement proposed to be entered into between C.F.F., Inc., and the City of LeRoy, a copy of which is set forth in Exhibit "A," attached hereto and incorporated herein by reference, is hereby approved and accepted on behalf of the city.

Section 2. The mayor and city clerk of the City of LeRoy are hereby directed and authorized to execute the original agreement, conforming with the copy attached hereto, and several copies, as may be required, retaining at least two signed copies of the contract FOR the City.

Section 3. This agreement shall be in full force and effect from and after its passage, approval and publication in pamphlet form as required by law.

PASSED by the City Council of the City of LeRoy, Illinois, upon the motion by _____
Ronnie Litherland, seconded by David McClelland, by
roll call vote on the 2nd day of October, 1995, as follows:

Aldermen elected 6 Aldermen present 5

VOTINGAYE:

David McClelland, Lois Parkin, Ronnie Litherland, Dawn Thompson, Fred Dodson
(full names)

VOTING NAY:

None
(full names)

ABSENT, ABSTAIN, OTHER:

George Cook absent
(full names)

and deposited and filed in the office of the City Clerk in said municipality on the 2nd day of
October, 1995.

X Juanita Dagley
Juanita Dagley, City Clerk of the City of
LeRoy, McLean County, Illinois

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

October, 1995.

X Jerry C. Davis
Jerry C. Davis, Mayor of the City of LeRoy,
McLean County, Illinois

ATTEST: (SEAL)

X Juanita Dagley
Juanita Dagley, City Clerk, City of LeRoy,
McLean County, Illinois

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (the "Agreement") is made and entered into as of the 2nd of May, 1995, by and between City of LeRoy, Illinois, an Illinois municipal corporation, located in McLean County, Illinois (the "City"), and C.F.F., Inc., and Illinois corporation, (the "Developer"). "City" and "Developer" are sometimes hereinafter referred to as "Parties."

RECITALS

A. City has the authority to adopt tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act, constituting sections 65 ILCS/11-74.4-1, et. seq., Illinois Compiled Statutes, as amended (the "Act").

B. City has prepared a Redevelopment Plan, dated December 23, 1986 (the "Redevelopment Plan"), concerning the area including the Retail Project, attached as Exhibit A hereto.

C. In accordance with the Act, City held and conducted a public hearing with respect to the Redevelopment Plan, the Redevelopment Project Area and the Redevelopment Project described in such Redevelopment Plan at a meeting of the Mayor and City Council (the "Corporate Authorities") held on December 3, 1986.

D. The Corporate Authorities of City, after giving all notices required by law and after conducting all public hearings required by law, adopted the following ordinances: (1) Ordinance No. 219, approving the Redevelopment Plan and Project, (2) Ordinance No. 220, designating the Redevelopment Project Area, (3) Ordinance No. 221, adopting tax increment financing for the Redevelopment Project Area, and (4) Ordinance No. 287 adopting the Redevelopment Agreement.

E. Developer has acquired the property located at 805 South Hemlock, LeRoy, Illinois 61752, as legally described in Exhibit B attached hereto, and has undertaken the development of such property (the "Retail Project", sometimes hereinafter referred to as the "Project"). Within the Redevelopment Project Area, Developer will cause to be built a Retail Project consisting of approximately 8,600 square feet. The Retail Project will generate additional sales and other tax revenue for City and will be built, or caused to be built, by Developer, in substantial conformity with the site plan attached hereto as Exhibit C. In addition to the Retail Project, Developer will construct certain public improvements, which, together with the acquisition of the land (in accordance with Section 3.01 of this Agreement), are all identified in Exhibit D attached hereto. The improvements described in Exhibit D are referred to collectively herein as "TIF Improvements" (some of which may be located adjacent to the Retail Project) and any other eligible costs under the Act are referred to herein as the "Project Costs." The acquisition of the land, and the construction of the Retail Project and the TIF Improvements, shall be collectively referred to as the "Project." The Project shall be built in accordance with plans and specifications (the "Plans") to be approved by City and any other appropriate regulatory agency.

EXHIBIT "A"

(to Ordinance Approving Redevelopment Agreement between C.F.F., Inc./City of LeRoy)

F. To facilitate the implementation of the Redevelopment Plan, City desires the development of the Retail Project. The Corporate Authorities of City hereby find that without the economic assistance available under the Redevelopment Plan and tax increment financing the Retail Project would not go forward.

G. City has agreed to reimburse Developer for certain eligible Redevelopment Project Costs, as defined in the Act, and as listed in Exhibit E and including land acquisition, building renovation, site improvements, and other similar costs, as well as certain private interest costs.

H. This Agreement has been submitted to the Corporate Authorities of City for consideration and review, and said Corporate Authorities have taken all actions required to be taken prior to the execution of this Agreement in order to make the same binding upon City according to its terms.

I. The Corporate Authorities of City, after due and careful consideration, have concluded that the development of the Redevelopment Project Area as provided for herein and in the Redevelopment Plan will further the growth of City, facilitate the redevelopment of the entire Redevelopment Project Area, improve the environment of City, increase the assessed valuation of the real estate situated within City, increase the sales tax revenues realized by City, foster increased economic activity within City, increase employment opportunities within City, and otherwise be in the best interests of City by furthering the health, safety, morals and welfare of its residents and taxpayers.

J. City is desirous of having the Redevelopment Project Area developed for such uses in order to serve the needs of City and in order to produce increased tax revenues for the various taxing districts authorized to levy taxes within the Redevelopment Project Area; and City, in order to stimulate and induce the development of the Redevelopment Project Area, has agreed to finance certain Project Costs through property tax increment revenues, all in accordance with the terms and provisions of the Act and this Agreement.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

ARTICLE I

RECITALS OF AGREEMENT

The representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are hereby incorporated into and made apart of this Agreement as though they were fully set forth in this Article I.

ARTICLE II

MUTUAL ASSISTANCE

The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications (and, in City's case, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions and intent.

ARTICLE III

ACQUISITION AND DEVELOPMENT OF THE RETAIL PROJECT

3.01. Purchase of Retail Project Land.

No later than thirty (30) days after the effective date of this Agreement, Developer shall purchase the Retail Project land. The timing and procedures followed regarding the purchase transaction shall, in the opinion of City's legal counsel, not be in violation of the Act.

3.02. Building, Subdivision Codes.

The Parties acknowledge and agree that the contemplated uses and occupancies of the Project comply with all current federal, state, county and City building codes, subdivision, zoning, environmental, health and other development regulations and that the Retail Project shall be constructed in compliance with all such applicable codes and regulations.

3.03. Due Diligence.

In order to determine the feasibility of undertaking and completing the Retail Project, Developer has agreed to reasonably and diligently commit its resources to conducting its "due diligence". "Due diligence" shall include: investigation of title and survey matters and other matters relating to the feasibility of development and ownership of the property including environmental issues and financing and leasing feasibility. Once Developer is satisfied, in its sole discretion, that the Project is feasible, Developer shall so notify City in writing, but no later than thirty (30) days after the effective date of this Agreement. City shall have no obligation to incur any obligation until said notice is received.

3.04. Project.

Subject to Section 3.03. hereof, Developer agrees to cause construction of the Project to proceed substantially in accordance with the objective of the Redevelopment Plan as it may be modified or revised from time to time as agreed to by the Parties with City's approval, and Developer's approval if the proposed modifications or revisions relate to the Project. Developer shall build, or cause to be built, the Retail Project and all TIF Improvements in accordance with the Plans to be filed with, and approved by, City, and any other appropriate government or regulatory agency. Developer shall work diligently to cause the completion of the Retail Project and the TIF Improvements in accordance with Section 3.05. hereof.

3.05. Project.

Developer agrees to expeditiously construct, or cause to be constructed, the Project, in accordance with the following provisions, subject to Section 3.06 hereof. Construction of the Project shall commence no later than forty-five (45) days after the effective date of this Agreement. The Project shall be substantially completed within eight (8) months of the date of commencement of construction.

3.06. Delay.

For the purposes of any of the provisions of this Agreement, neither City nor Developer, as the case may be, nor any successor in interest, shall be considered in breach of, or in default in, its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not

limitation, severe rain storms or below freezing temperatures of abnormal degree or quantity for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its respective obligations hereunder.

3.07. Modifications.

The construction of the Project may be modified or revised by Developer to provide for other improvements comprising less than the square footage provided for herein, or for different uses, subject to City's prior approval.

3.08. Utilities and Fees.

City hereby agrees that Developer shall have the right to connect any and all on site water lines, sanitary and storm sewer lines constructed in the Redevelopment Project Area to City utility lines existing at or near the perimeter of the Redevelopment Project Area. City agrees that Developer shall be obligated to pay, in connection with the development of the Redevelopment Project Area, only those water, sanitary sewer, building permit, real estate transfer tax, engineering, inspection, and other fees of general applicability. Developer hereby acknowledges that City shall have no financing obligations in connection with the Project except as expressly provided herein. Developer agrees to pay a \$10,000.00 City water line connection fee, which amount City hereby acknowledges it has received.

ARTICLE IV

CONSTRUCTION OF REDEVELOPMENT PROJECT

4.01. Authorization to Construct.

In order to further the development of the Redevelopment Project Area, City hereby authorizes Developer to construct, or cause to be constructed, the TIF Improvements for which preliminary cost estimates are outlined in Exhibit D attached hereto. The TIF Improvements are some or all of those parts of the Project which qualify under the Act for City reimbursement through tax increment financing as provided hereunder. Exhibit D shall be supplemented by the Plans to be approved by City and by sworn owner's statements and contractor's statements which shall be completed in form and content to City's reasonable satisfaction.

4.02. Plan Approval.

Developer shall submit to City the Plans for the TIF Improvements to be constructed by Developer. City shall have not more than thirty (30) business days to review and accept said Plans, or to provide a written description detailing any portion of the Plans which City has determined to be unacceptable.

4.03. Costs.

City agrees that Developer shall cause the construction of the TIF Improvements, and after City approval of documentation of these costs City shall reimburse Developer for eligible costs up to the total amount indicated on Exhibit D from property tax and sales tax increments as received by City as provided for herein. Developer reserves the right to re-allocate dollars between and among line items as may be

desirable or necessary to implement the Project provided that such re-allocation is consistent with the terms of the Redevelopment Plan and the Act.

4.04. Indemnity.

Developer covenants and agrees, at its expense, to pay, and to indemnify and save City, and its officers, agents, employees and attorneys (the "Indemnitees") harmless of, from and against, any and all claims, damages, demands, expenses, and liabilities resulting directly from Developer's development activities with respect to the Project (including, but not limited to, any and all environmental matters), unless such claims, damages, demands, expenses, or liabilities arise by reason of the negligence, act or omission of City or any one or more of the other Indemnitees.

4.05. No Liens.

Developer agrees that no mechanics' or other liens shall be established or shall remain against the Project, for labor or materials furnished in connection with any acquisition, construction, addition, modification, improvement, repair, renewal or replacement so made. However, Developer shall not be in default if mechanics' or other liens are filed or established and Developer, as the agent for City, contests in good faith said mechanics' liens and in such event Developer may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom. Developer hereby agrees and covenants to indemnify and hold harmless City in the event any liens are filed against the Project as a result of any acts or omissions of Developer, its agents or independent contractors.

4.06. Insurance.

Developer agrees to secure liability, workmen's compensation, and structural work insurance coverage in commercially reasonable amounts with respect to construction of the TIF Improvements. Developer shall deliver to City certificates evidencing liability insurance policies, naming City as an additional insured, with provisions for reasonable advance notification to City in the event of cancellation.

ARTICLE V

OBLIGATIONS AND DISBURSEMENTS

5.01. Tax Increment Available to the Project.

The Parties agree that tax increment revenue financing, implemented in accordance with the terms and provisions of the Act, is intended to be one of the sources of funding for the acquisition of the Retail Project land and the source for the construction of the Project.

5.02. Flow of Funds.

A. Within seven days of receipt of any incremental property taxes by City from the County Collector and within seven days of receipt of any incremental State sales taxes by the City from the State of Illinois Department of Revenue (DOR), City shall deposit such incremental taxes into the City's Special Tax Allocation Fund. Furthermore, City agrees to transfer from its general fund to the Special Tax Allocation Fund such amount of municipal sales taxes as required by the DOR to be eligible to receive incremental State sales taxes

(collectively, the incremental property and State and municipal sales taxes are referred to herein as the "Incremental Taxes").

Developer and City hereby acknowledge that under the procedures established by the DOR to administer the State sales tax program, receipt of State sales taxes and deposits of municipal sales taxes will lag behind the period of generation by the Retail Project by a period of 18 to 24 months. Reimbursements under this Agreement and the Prior Agreements (as defined below) shall be made according to the receipt and deposit of monies by City.

B. City and Developer hereby acknowledge that City has entered into agreements with previous developers (the "Prior Agreements") to induce redevelopment projects within the TIF district (the "Prior Developments") and that this Agreement and the Prior Agreements shall share ratably and equally in the distribution of incremental taxes in the event that Incremental Taxes due under this agreement and the Prior Agreements exceed the amount of Incremental Taxes available in any given calendar year. Under no circumstances shall City be obligated to reimburse Developer from its share of incremental revenues due under this Agreement or any of the Prior Agreements.

C. No later than March 15 of each year, City shall conduct an accounting (the "Accounting") of the amount of incremental property taxes and municipal and State sales taxes received by City from the Retail Project and the Prior Developments as well as the amount of eligible costs incurred by Developer and the developers of the Prior Developments.

At the Accounting, City shall, on a parity basis, allocate one third of the Incremental Taxes generated by the Retail Project to Developer for interest rate rebate; allocate one third of the Incremental Taxes generated by the Retail Project for reimbursement of other eligible Redevelopment Project Costs; and allocate one third of the Incremental Taxes generated by the Retail Project to the City for eligible Redevelopment Project Costs other than those associated with the Retail Project.

Following the Accounting, Developer will be provided a statement indicating the amount of Incremental Taxes available for reimbursement and the amount of eligible costs, if any, remaining for future reimbursement.

City shall pay to Developer by check the lesser of the amount of Incremental Taxes available or the amount of eligible costs outstanding.

5.03. Interest Rate Rebate.

Developer's right to receive the amounts specified in this section for interest rate rebate shall be assignable by Developer to the extent permitted by law. No such assignment, however, shall be effective or binding on City unless in writing and unless a copy thereof is delivered to City. Developer must provide a certified statement to City within ten (10) days of the closing of Developer's loan, identifying the original principal balance and interest rate and amortization schedule of the loan (the "original loan") and the expected uses

of the loan proceeds. The interest rate rebate for which provision is made in this Section 5.03 shall be based on the principal balance of the original loan which shall not exceed one hundred per cent of the original "Retail Project cost" (said cost defined to include land acquisition, building rehabilitation, repairs and improvements, acquisition of personal property necessary to properly equip the site and initially stock it, and any other similar real estate improvements or personal property acquisitions). The rights and obligations created under the provisions of this Section pertaining to interest rate rebate payments to Developer shall exist for as long as the duration of City's Redevelopment Project Area and Developer's conformance with the terms of this Agreement. City shall pay the interest rate rebate pursuant hereto and in accordance with the request set forth in Exhibit F after receiving the following documentation:

a. A sworn statement from Developer indicating (i) the annual interest cost paid by Developer with regard to the Project during the applicable year for which an interest rate rebate is requested, and (ii) that the amount of interest rate rebate request does not exceed 30% of the annual interest costs incurred by Developer with respect to the Project during such year; and

b. Developer's "Interest Rate Rebate Request" specifying (i) the amount of payment then being requested by Developer in connection with the payment of the interest rate rebate, directing City to disburse such funds in accordance with this Agreement, and (ii) that the total payment requested represents not more than the actual amount incurred, to date of such request, by Developer in undertaking the Project and to which Developer is entitled, by law, for its interest rate rebate.

In the event that Developer has refinanced the "original loan" and has increased the principal amount of said loan, City's calculation of the interest rate rebate shall relate only to the original loan amount. Subsequent principal payments by Developer shall be calculated as a reduction in the original loan's principal balance. The maximum amount of annual interest rebate due Developer shall then be calculated by City in relation to the revised principal balance described above. In the event Developer's interest rate rebate is less than the one-third allocation (for that purpose) of the incremental property taxes and sales taxes, the remaining portion (if any) of said one-third shall be reallocated to City for other eligible TIF costs City may incur or may have incurred in the First TIF District Redevelopment Area.

5.04. Procedures.

For certification of reimbursable project costs to be made in connection with this Agreement, Developer shall submit to City a written request therefore setting forth the amount of reimbursable project costs for which certification is sought (but not less than One Thousand and no/100 Dollars (\$1,000.00)) and identification of the Project Costs with respect thereto. Each request for certification shall be accompanied by such bills, contracts, invoices, lien waivers or other evidence as City shall require to evidence appropriate payment under, and the due performance of, this Agreement. City reserves the right to have its engineer or other agents or employees inspect all work in respect of which a request is submitted, to examine Developer's and other's records relating to all costs to be reimbursed, and to obtain from such parties as City determines to be appropriate such other information as is necessary for City to evaluate

compliance with the terms hereof. City shall have thirty (30) business days after receipt of any request for certification to approve or disapprove such request. Upon approval of the request City shall within seven (7) days thereafter send its certification to Developer. In the event City finds an error in the request or in the work performed in respect thereto, City shall specify such error in reasonable detail within thirty (30) days from the date of such request or the work shall be corrected prior to approval of the portion of the request affected.

5.05. Right to Inspect.

Developer agrees that, up to one year after completion of the Project Improvements, City, with reasonable advance notice and during normal business hours, shall have the right and authority to review, audit, and copy, from time to time, Developer's books and records relating to the TIF Improvements funded by City hereunder (including all loan statements, general contracts, subcontracts, material purchase orders, waivers of lien, paid receipts and invoices).

5.06

City's obligation to allocate to Developer and pay-over to Developer Incremental Taxes shall terminate effective the last date City receives incremental tax payments prior to October 31, 2007, and then pays the allocated shares, as provided in this agreement, to Developer (the date of payment may occur after October 31, 2007).

ARTICLE VI

REAL ESTATE TAXES

6.01. Agreement to Pay Taxes.

The Parties acknowledge that certain assumptions have been made relative to the future assessed valuation of the Project when the Project is improved pursuant to this Agreement. The Parties further acknowledge that attaining and maintaining said assessed valuation will have a material effect on the revenue available to reimburse Developer for project costs and interest rate rebate. Accordingly, neither Developer nor its agents, lessees, representatives, successors, assignees or transferees in connection with the Project shall initiate, take or perform any acts attempting to reduce the assessed valuation of all or any portion of the Project. The Parties agree that the restriction contained herein is a covenant running with the land and a memorandum thereof shall be recorded with the McLean County Recorder of Deeds. This restriction shall be binding upon Developer, and its agents, lessees, representatives, successors, assigns or transferees from and after the date hereof; provided, however, that said covenant shall be null and void after the termination of City's Redevelopment Plan and Project, at which time City will issue a release from said covenant, which release shall be recorded. Developer agrees that any sale, conveyance or transfer of title to all or any portion of the Retail Project site from and after the date hereof shall be made subject to such covenant and restriction. Developer and each and every transferee, lessee and mortgagee of Developer, and Developer's and such transferee's, lessee's and mortgagee's successors and assigns further agree that to the extent they or any of them are obligated to pay any portion of the real estate tax bills for the Project, including any outstanding taxes, if any, they or any of them shall pay such taxes promptly on or before the due date of such tax bills.

ARTICLE VII
COMPLETION

7.01. Retail Project.

Promptly upon the completion of the Project, City shall furnish Developer a Certificate so certifying (the "Certificate of Completion"). "Completion" as used in reference to the Project shall mean that Developer has substantially completed the Project in accordance with the plans and specifications approved by City prior to issuing its building permits and otherwise in conformity with the Redevelopment Plan and this Agreement. Except as otherwise provided for herein, City's issuance of the Certificate of Completion shall release Developer from any further obligation or liability hereunder in regard to the construction and completion of the Project. The Certificate of Completion shall not have any effect or bearing on the issuance of a certificate of occupancy by City.

7.02. Form of Certificate.

The Certificate of Completion shall be in a recordable form, and shall be a conclusive determination of satisfaction and termination of the covenants in this Agreement with respect to the obligations of Developer and its successors and assigns in regard to the construction and completion of the Project. Upon written request by Developer for a Certificate of Completion, City shall have thirty (30) business days after receipt of same to provide Developer with a Certificate or a written statement indicating in detail how Developer has failed to complete the construction in conformity with the Redevelopment Plan and this Agreement, or is otherwise in default, and what measures or acts will be necessary, in the opinion of City, for Developer to take or perform in order to obtain the Certificate.

ARTICLE VIII
AUTHORITY

8.01. Actions.

City represents and warrants that upon application of Developer it has taken, or will take, such action(s) as may be required and necessary to process the amendments, variations, and special use approvals retaining to its zoning ordinances and its other ordinances, codes and regulations, as may be necessary or proper in order to insure the development of the Redevelopment Project Area in accordance with the Redevelopment Plan and to enable City to execute this Agreement and to carry out fully and perform the terms, covenants, agreements, duties and obligations on its part to be kept and performed as provided by the terms and provisions hereof.

8.02. Powers.

City hereby represents and warrants that City has full constitutional and lawful right, power and authority, under currently applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of City, enforceable in accordance with its terms and provisions, and does not require the consent of any other governmental authority.

8.03. Authorized Parties.

Whenever under the provisions of this Agreement any other related document or instrument, or any supplemental agreement, request, demand, approval, notice or consent of City or Developer is required, or City or Developer is required to agree or to take some action at the request of the other, such approval or such consent or such request shall be given for City, unless otherwise provided herein, by the Mayor or his or her designee, and for Developer by any officer of Developer so authorized (in any event, the officers executing this Agreement are so authorized); and any person shall be authorized to act on any such agreement, request, demand, approval, notice or consent or other action and neither party hereto shall have any complaint against the other as a result of any such action taken.

ARTICLE IX
GENERAL PROVISIONS

9.01. Time of Essence.

Time is of the essence of this Agreement. The Parties will make every reasonable effort to expedite the subject matters hereof and acknowledge that the successful performance of this Agreement requires their continued cooperation.

9.02. Breach.

Before any failure of any party to this Agreement to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the party claiming such failure shall notify, in writing, the party alleged to have failed to perform of the alleged failure and shall demand performance. No breach of this Agreement may be found to have occurred if performance has commenced to the reasonable satisfaction of the complaining party within twenty (20) days after the date of receipt of such notice.

9.03. Amendment.

This Agreement, and any exhibits attached hereto, may be amended only by the mutual consent of the Parties, by the adoption of an ordinance or resolution of City approving said amendment, as provided by law, and by the execution of said amendment by the Parties or their successors in interest.

9.04. No Other Agreement.

Except as otherwise expressly provided herein, this Agreement supersedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.

9.05. Prohibitions Against Assignments and Transfers.

Developer represents and agrees for itself, and its permitted successors and assigns, that any sale it may make of the Retail Project and its other undertakings pursuant to this Agreement is, and will be, used solely for the purpose of redevelopment of the Retail Project. Developer further recognizes that, in view of:

- the importance of the redevelopment of the Project to the general welfare of the community;
- the public aids and commitments that have been made available by law and by City for the purpose of making such redevelopment possible;

the fact that any direct or indirect transfer of a controlling partnership, corporation, or joint venture interest in Developer or of any other act or transaction involving or resulting in a significant change in the ownership of the identity of the parties in control of Developer, or the degree thereof, could directly affect the Project;

the qualifications and identity of Developer and its present partners, shareholder or joint-venturers are of particular concern to the community and to City. Developer further recognizes that it is because of such qualifications and identity that City is entering into this Agreement and, in doing so, is further willing to accept and rely on the obligations of Developer (and its present partners, shareholders or joint-venturers) for the faithful performance of all undertakings contained herein. For the reasons described above, but subject to the provisions below, Developer agrees for itself, its permitted successors and assigns, and every permitted successor in interest to the Project, or any part thereof, or any interest therein, that prior to the issuance of a Certificate of Occupancy for the improvements:

(a) Developer has not made or created, and will not make or create, or suffer to be made or created, any disposition of the Project, in any mode or form, which would result in a change in control or a change in ownership, without the prior written approval of City, which approval of City may not be unreasonably withheld or delayed. Such approval may include a determination by City whether or not any such proposed change would affect the property tax increment revenues that City expects to receive from the Project. However, Developer shall be able to enter into a partnership agreement so long as Developer remains a general partner and is primarily liable under the terms of this Agreement.

(b) City shall be entitled to require, except as otherwise provided in this Agreement, as conditions to any such written approval pursuant to Subsection (a) of this Section 9.05., that:

(1) Any proposed purchaser, assignee or other transferee, and every successor in interest to the Project or any part thereof, or any interest therein, shall have the qualifications and financial responsibility, as reasonably determined by City, to be necessary and adequate to fulfill the obligations undertaken in this Agreement by Developer. In this regard, at City's request, Developer or its successor in interest to the Retail Project, or any part thereof, will provide ongoing information regarding the ownership entity;

(2) Any proposed purchaser, assignee or other transferee, and every successor in interest to the Project or any part thereof, or any interest therein, by a written instrument satisfactory to City and in such form as will enable it to be recorded in the Office of the Recorder of Deeds, McLean County, Illinois, shall have for itself and its successors and assigns, for the benefit of City, expressly assumed all of the obligations of Developer for the Improvements under this Agreement and shall have agreed to be subject to all the conditions and restrictions to which Developer is subject; provided that the fact that any purchaser, assignee or other transferee, or any other successor in interest to the Project, or any part thereof, or any interest therein, did not assume such obligations, or so agree, shall

not, unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by City, relieve or except such transferee or successor of, or from, such obligations, conditions, or restrictions, or deprive or limit City of any rights, remedies or controls provided in or resulting from this Agreement with respect to the Project or any part thereof or the construction of the improvements thereon. It is the intent of this Section, together with all other provisions of this Agreement, that, to the fullest extent permitted by law and equity and excepting only to the extent otherwise specifically provided in this Agreement, no disposition or transfer of or change with respect to ownership in the Project, or any part thereof, or any interest therein, however consummated or occurring, and whether direct or indirect, or voluntary or involuntary, shall operate, legally or practically, to deprive or limit City of any rights, remedies or controls provided in or resulting from this Agreement with respect to the Project or any part thereof or the construction of the improvements thereon that City would have had, had there been no such disposition, transfer or change;

(3) All instruments and other legal documents involved in effecting the disposition or transfer shall be submitted to City;

(4) Developer, its permitted successors and assigns, or other transferees, and every permitted successor in interest to the Project, or any part thereof, or any interest therein, shall comply with the terms and provisions of this Agreement. City agrees that upon issuance of a Certificate of Completion for the Improvements the Project may be transferred as provided below. Upon issuance of a Certificate of Occupancy, Developer may make a disposition of the Project or cause a change in control of the entity owning the Project in accordance with the procedures set forth below. City shall not unreasonably withhold approval of any new prospective owner if Developer is no longer the primary owner, so long as (a) a mutually agreed upon outside firm or individual shall review the new prospective owner's financial documentation, including management experience, financial history, related projects, and knowledge of the local marketplace, and (b) the finding and recommendation are then presented to City's Corporate Authorities for action. Any documentation presented for review shall have thirty (30) days notice before any final arrangement is entered into by Developer. In the event a transfer of the Project is made as provided above and is in contravention of the recommendation presented to City's Corporate Authorities, to the extent that the anticipated incremental property tax payments or sales tax payments are not met in any given year or if money becomes unavailable to make payments to DEVELOPER, or for Developer's interest rate rebate or any other amount due DEVELOPER under this Agreement, such payments shall cease.

9.06 Documentation

Developer agrees to provide City before February 15 of each year copies of the following documents required by City to calculate the amount of Incremental Taxes generated by the Retail Project and the amount of interest rate rebate:

- 1) Copies of all sales tax return forms filed in the previous calendar year.
- 2) Copies of all property tax bills paid during the previous calendar year.
- 3) All documentation related to the amount of interest paid in the previous calendar year as City may require.

Failure by Developer to submit such documentation shall serve as evidence by Developer that payments described in this agreement for interest rate rebate and other eligible costs are waived for the previous calendar year.

9.07. Severability.

If any provision, covenant, agreement or portion of this Agreement, or its application to any person, entity or property, is held invalid, such invalidity shall not affect the application or validity of any other provision, covenant, or portion of this Agreement and, to that end, any provision, covenant or portion of this Agreement declared invalid is hereby declared to be severable.

9.08. Illinois Law.

This Agreement shall be construed in accordance with the laws of the State of Illinois.

9.09. Notice.

All notices and requests required pursuant to this Agreement shall be sent as follows:

To Developer: C.F.F., Inc.
c/o Martin O'Connor, Registered Agent
217 East Washington Street
Bloomington, Illinois 61701

With copies to: Charles Feeney
P.O. Box 287
ElPaso, Illinois 61738

To City: City of LeRoy
City Hall
111 East Center Street
P.O. Box 151
LeRoy, Illinois 61752
Attn: City Clerk

With copies to: Hunt Henderson
Attorney at Law
Attorney for City of LeRoy
112 East Center Street
LeRoy, Illinois 61752

or to such other address as either party may indicate in writing to the other either by personal delivery, courier or by registered mail, return receipt requested, with proof of delivery thereof. Mailed notices shall

be deemed effective on the third day after mailing; all other notices shall be deemed effective when delivered.

9.10. Counterparts.

This Agreement may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same agreement.

9.11. Recordation of Agreement.

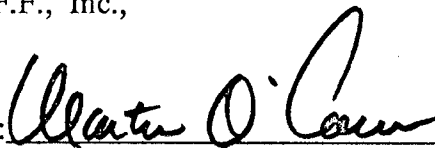
The Parties agree to execute and deliver the original of this Agreement in proper form for recording and/or indexing in the appropriate land or governmental records.

9.12. Consent or Approval.

Except as otherwise provided in this Agreement, whenever consent or approval of either party is required, such consent or approval shall not be unreasonably withheld.

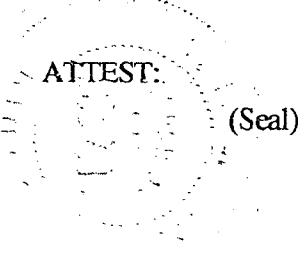
IN WITNESS WHEREOF, the Parties have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

C.F.F., Inc.,

By: 
Martin O'Connor,
Its: President

CITY OF LEROY, McLean County, Illinois,
an Illinois municipal corporation

By: _____
Jerry C. Davis, Mayor of City of
LeRoy, Illinois



ATTEST:
(Seal)

ATTEST:
(Seal)


Charles Feeney, Secretary

Juanita Dagley, City Clerk of City of
LeRoy, Illinois

EXHIBITS

Exhibit A	TIF Redevelopment Plan
Exhibit B	Legal Description of the Retail Project
Exhibit C	Site Plan
Exhibit D	TIF Public Improvements
Exhibit E	Eligible Redevelopment Project Costs
Exhibit F	Form of Requisition - Interest Rate Rebate