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LOVES PARK CITY COUNCIL AGENDA
MONDAY, JULY 19, 2021- 6 P.M.
CITY COUNCIL CHAMBERS

- I. CALL TO ORDER**

- II. INVOCATION & PLEDGE OF ALLEGIANCE**
 - 1. Invocation given by Director of Chaplaincy Services at Mercyhealth, Ben Danielson, followed by the Pledge of Allegiance.**

- III. ROLL CALL**

- IV. APPROVAL OF CITY COUNCIL MINUTES OF PREVIOUS MEETING**

- V. COMMUNICATIONS, MAYOR'S REPORT AND ANNOUNCEMENTS**

- VI. APPROVE PAYMENT OF BILLS**

- VII. OFFICER'S REPORTS**
 - 1. Public Safety**
 - 2. Public Works**

- VIII. COMMITTEE REPORTS**
 - 1. Finance and Administration/J. Jacobson (Finance, Personnel, Buildings & Grounds, Purchasing, Recreation & Beautification)**
 - 2. Public Safety/Allton (Police, Fire, Public Safety & Health)**
 - 3. Public Works/Schlensker (Street, Water & Utilities)**
 - 4. Codes and Regulations/Warden (Ordinances & Licenses)**
 - 5. Community Development/Pruitt (Development, Planning, Zoning, Annexation, Building & Drainage)**

- IX. UNFINISHED BUSINESS**

X. NEW BUSINESS

XI. RESOLUTIONS & MOTIONS

XII. ORDINANCES 2ND READING

XIII. ORDINANCES 1ST READING

- 1. Ordinance making Appropriation for Fiscal Year 2021-2022.**
- 2. Ordinance authorizing the City of Loves Park to enter into a Redevelopment Agreement with Loves Park One, LLC.**
- 3. Ordinance authorizing the City to enter into the Fifth Amendment to the Redevelopment Agreement for SCL Business Park, LLC dated November 6, 2014.**

XIV. PUBLIC COMMENT

Anyone wishing to speak at the city council meeting shall contact the Mayor's office by 4:00 p.m. the day of the council meeting at 815-654-5030.

XV. EXECUTIVE SESSION

XVI. GOOD OF THE ORDER

XVII. ADJOURNMENT

CITY COUNCIL, CITY OF LOVES PARK, ILLINOIS

Journal of Proceedings

Regular Meeting, Monday, July 12, 2021

City Hall Council Chambers

Mayor Gregory Jury called the meeting to order at 6:00 p.m.

Alderman Jim Puckett opened the meeting with an invocation, followed by the Pledge of Allegiance.

Present: Mayor Gregory Jury

Aldermen Jim Thompson, Mark Peterson, A. Marie Holmes, Robert Schlensker, Doug Allton, Nancy Warden, John Jacobson (via zoom), Jim Puckett, Dan Jacobson, John Pruitt

Also Present: City Clerk Bob Burden
City Attorney Gino Galluzzo

1. Approve Minutes 07/06/21 The Journal of Proceedings for the regular meeting of July 6, 2021 was approved as submitted by the city clerk on a motion by Alderman Schlensker. Second by Alderman Pruitt. Motion carried. 8 Ayes (Aldermen Thompson, Holmes, Schlensker, Warden, John Jacobson, Puckett, Dan Jacobson, Pruitt) 2 Present (Aldermen Peterson, Allton)
2. Open House For Watershed Plan & Creek Stabilization Mayor Jury announced that the City of Loves Park, along with Fehr Graham Engineering will be hosting an open house on Monday, July 26, 2021 from 4:30 p.m. to 6:00 p.m. in the Brinker Center at Loves Park City Hall, to discuss the watershed plan and creek stabilization project.
3. Nicholas Parnello Mayor Jury presented a proclamation to Nicholas Parnello, proclaiming Monday, July 12, 2021, to be "Nicholas Parnello Recognition Day" in the City of Loves Park.
4. Proclamation Nicholas Parnello thanked everyone for supporting the Proclamation and spoke of his efforts to honor local veterans.
5. General Fund Bills Alderman John Jacobson presented the General Fund and all other bills dated July 6, 2021 in the amount of \$386,792.57, and moved that they be paid. Second by Alderman Pruitt. Motion carried. 10 Ayes (Aldermen Thompson, Peterson, Holmes, Schlensker, Allton, Warden, John Jacobson, Puckett, Dan Jacobson, Pruitt)
6. Water Department Bills Alderman John Jacobson presented the Water Department bills dated July 6, 2021 in the amount of \$31,991.42, and moved that they be paid. Second by Alderman Dan Jacobson. Motion carried. 10 Ayes (Aldermen Thompson, Peterson, Holmes, Schlensker, Allton, Warden, John Jacobson, Puckett, Dan Jacobson, Pruitt)
7. Public Safety Report Alderman Allton presented the Police Department Report dated July 12, 2021; presented the Fire Department Report dated July 7, 2021, to be placed on file.
8. Public Works Report Alderman Schlensker presented the Street Department Report dated July 12, 2021; presented the Water Department Report for July 12, 2021, to be placed on file.
9. Finance and Administration Committee Alderman John Jacobson of the Finance and Administration Committee presented the General Fund and all other bills dated July 12, 2021 in the amount of \$100,793.05, for consideration at next week's city council meeting; presented the minutes from the committee meeting held July 6, 2021, to be placed on file.

10. Public Works Committee Alderman Schlensker of the Public Works Committee presented the Water Department list of bills dated July 12, 2021 in the amount of \$8,548.24, for consideration at next week's city council meeting.
11. Community Development Alderman Pruitt of the Community Development Committee announced that at committee meeting will be held Monday, July 19, 2021 at 6:15 p.m.
12. Plat 3 Perryville Ridge Alderman Pruitt presented the following resolution and moved for its adoption: **RESOLVED**, that by the adoption of this Resolution, that Plat 3 of Perryville Ridge, being a replat of Lots 5, 6, and 7 of Plat 2 of Perryville Ridge, being part of the Northeast quarter of section 3, Township 44 North, Range 2 East of the Third Principal Meridian, City of Loves Park, Winnebago County, Illinois, be approved as recommended by the City of Loves Park Community Development Committee. Second by Alderman Warden. Motion carried. 10 Ayes (Aldermen Thompson, Peterson, Holmes, Schlensker, Allton, Warden, John Jacobson, Puckett, Dan Jacobson, Pruitt) **RESOLUTION NO. 21-067**
13. Plat 4 Business Park At Spring Creek Lakes Alderman Pruitt presented the following resolution and moved for its adoption: **RESOLVED**, that by the adoption of this Resolution, that Plat 4 of the Business Park at Spring Creek Lakes, being a resubdivision of Lot 8 of Plat 1 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast quarter of section 35 and part of the Southwest quarter of section 36, Township 45 North, Range 2 East of the Third Principal Meridian and part of the Northwest quarter of section 1 and part of the Northeast quarter of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and also including Lot 14 of Plat 3 of the Business Park at Spring Creek Lakes, being a resubdivision of Lots 2, 3, and 7 of said Plat 1 of Business Park at Spring Creek Lakes, all being a part of the Southwest Quarter of section 36, Township 45 North, Range 2 East of the Third Principal Meridian, City of Loves Park, Winnebago County, Illinois, be approved as recommended by the City of Loves Park Community Development Committee. Second by Alderman Warden. Motion carried. 10 Ayes (Aldermen Thompson, Peterson, Holmes, Schlensker, Allton, Warden, John Jacobson, Puckett, Dan Jacobson, Pruitt) **RESOLUTION NO. 21-068**
14. ORD 4423-21
SUP For 6803
Forest Hills
Road Alderman Pruitt presented for second reading an ordinance providing for a Special Use Permit for a car wash for the property known as 6803 Forest Hills Road, and moved for passage of the ordinance. Second by Alderman Warden. Motion carried. 10 Ayes (Aldermen Thompson, Peterson, Holmes, Schlensker, Allton, Warden, John Jacobson, Puckett, Dan Jacobson, Pruitt) **ORDINANCE NO. 4423-21**
15. Adjourn Alderman Schlensker moved that the meeting be adjourned. Second by Alderman John Jacobson. Motion carried by voice vote. The meeting was adjourned at 6:22 p.m.

APPROVED:

Robert J. Burden, City Clerk

STANDING COMMITTEE MEETINGS:

Community Development:	Following Council Meeting 6:15 p.m.
Finance and Administration:	Prior to Council Meeting 5:40 p.m.
Public Works:	Prior to Council Meeting 5:15 p.m.
Zoning Board of Appeals:	3 rd Thursday of the Month 5:30 p.m.



LOVES PARK **POLICE**

540 Loves Park Drive, Loves Park, IL 61111

Phone 815/654-5015 Fax 815/633-0555

To: Alderman Doug Allton

From: Chief Charles Lynde

Date: 07/19/2021

Subject: Police Activity Report

Police activity report for the week of 07/04/2021 through 07/10/2021

Calls for Service 407

Total Number of Arrests 104

Accidents 5

MICHAEL MCCAMMOND
DEPUTY CHIEF OF POLICE

CHARLES LYNDE
CHIEF OF POLICE

SHANE LYNCH
DEPUTY CHIEF OF POLICE

Loves Park FD

Loves Park, IL

This report was generated on 7/14/2021 10:39:05 AM



Incident Statistics

Zone(s): All Zones | Start Date: 07/06/2021 | End Date: 07/12/2021

INCIDENT COUNT	
INCIDENT TYPE	# INCIDENTS
EMS	46
FIRE	18
TOTAL	64

TOTAL TRANSPORTS (N2 and N3)			
APPARATUS	# of APPARATUS TRANSPORTS	# of PATIENT TRANSPORTS	TOTAL # of PATIENT CONTACTS
TOTAL			

PRE-INCIDENT VALUE	LOSSES
\$21,300.00	\$21,300.00

CO CHECKS	
424 - Carbon monoxide incident	1
736 - CO detector activation due to malfunction	1
746 - Carbon monoxide detector activation, no CO	1
TOTAL	3

MUTUAL AID	
Aid Type	Total
Aid Given	4
Aid Received	1

OVERLAPPING CALLS	
# OVERLAPPING	% OVERLAPPING
15	23.44

LIGHTS AND SIREN - AVERAGE RESPONSE TIME (Dispatch to Arrival)		
Station	EMS	FIRE
Station #1	0:04:05	0:08:19
Station #2	0:06:11	0:05:35
AVERAGE FOR ALL CALLS		0:06:05

LIGHTS AND SIREN - AVERAGE TURNOUT TIME (Dispatch to Enroute)		
Station	EMS	FIRE
Station #1	0:00:54	0:01:00
Station #2	0:01:24	0:01:12
AVERAGE FOR ALL CALLS		0:01:20

AGENCY	AVERAGE TIME ON SCENE (MM:SS)
Loves Park FD	13:23

Only Reviewed Incidents included. EMS for Incident counts includes only 300 to 399 Incident Types. All other incident types are counted as FIRE. CO Checks only includes Incident Types: 424, 736 and 734. # Apparatus Transports = # of incidents where apparatus transported. # Patient Transports = All patients transported by EMS. # Patient Contacts = # of PCR contacted by apparatus. This report now returns both NEMSIS 2 & 3 data as appropriate. For overlapping calls that span over multiple days, total per month will not equal Total count for year.

**Department of Public Works
Street Department Weekly Activity Report**

Submitted by: David Jacobson
Public Works Foreman

Week of July 9, 2021 thru July 16, 2021

Previous week's activity:

1. Started sidewalk and catch basin repairs west of N2nd St.
2. Took down flags on N2nd
3. Cold patched Forest Hills and side streets.
4. Finished dirt work from stump removal.
5. Continued mowing.

Proposed work:

1. Continue Start sidewalk and catch basin replacement west side of N2nd
2. Stone edges of roads.
3. Continue mowing.
4. Cold patch as needed.
5. Start painting cross walks.

Loves Park Water Department

Weekly Activity Report

Submitted by: Craig McDonald
Department Manager

Date: 7/5/21-7/12/21

Previous week's activity:

1. Routine work:
 - a. Install new meters
 - b. JULIE locates
 - c. Chemical tests
 - d. Backwash wells as needed
 - e. Read commercial and residential meters
2. Continued replacing large commercial meters and install ERT'S.
3. Continued operating all remaining hydrants for ISO compliance
4. Installed Orifice plate at well #5
5. Replaced the main valve in filter plant at well #5

Work anticipated for this week:

1. Routine work
2. Continue replacing large commercial meters and install ERT'S.
3. Continue operating all remaining hydrants for ISO compliance.
4. Install two vales on Walker Ave by water tower for tower rehabilitation

**CITY OF LOVES PARK
AGENDA
FINANCE & ADMINISTRATION COMMITTEE
MONDAY, JULY 19, 2021 – 5:40 P.M.
CITY COUNCIL CHAMBERS**

1. **CALL TO ORDER**
2. **ROLL CALL**
3. **APPROVAL OF MINUTES**
4. **ITEMS FOR CONSIDERATION**
 - A. Ordinance making Appropriation for Fiscal Year 2021-2022.
 - B. Ordinance authorizing the City of Loves Park to enter into a Redevelopment Agreement with Loves Park One, LLC.
 - C. Ordinance authorizing the City to enter into the Fifth Amendment to the Redevelopment Agreement for SCL Business Park, LLC dated November 6, 2014.
5. **LIST OF BILLS**
6. **GENERAL DISCUSSION/PUBLIC COMMENT**

Anyone wishing to speak at the Finance Committee meeting shall contact the Mayor's office by 4:00 p.m. the day of the scheduled meeting at 815-654-5030.
7. **ADJOURN**

FINANCE AND ADMINISTRATION COMMITTEE
MEETING MINUTES
CITY HALL COUNCIL CHAMBERS

DATE OF MEETING: July 12, 2021

CALLED TO ORDER: 5:40 P.M.

MEMBERS PRESENT: Aldermen John Jacobson (via zoom), Jim Puckett, John Pruitt, Mark Peterson

ALSO PRESENT: Attorney Gino Galluzzo, Aldermen A. Marie Holmes, Robert Schlensker, Nancy Warden, Dan Jacobson, James Thompson, Treasurer John Danielson, Fire Chief Wiltfang, Police Chief Lynde

MINUTES APPROVAL: July 6, 2021

Alderman Pruitt moved to approve minutes. Second by Alderman Puckett.
Motion carried. 4 Ayes – 0 Nays

ITEMS FOR CONSIDERATION

1. List of Bills: No questions or concerns.
2. Items for consideration.
 - A. Discussion of Appropriation Ordinance for Fiscal Year 2021-2022.
3. General Discussion.
4. Adjournment.

Alderman Peterson moved for adjournment. Second by Alderman Pruitt.
Motion carried. 4 Ayes – 0 Nays

Adjournment: 5:44 P.M.

RESPECTFULLY SUBMITTED: ALDERMAN JOHN JACOBSON OF THE FINANCE COMMITTEE

FISCAL YEAR 2021 - 2022 APPROPRIATION ORDINANCE

**AN ORDINANCE MAKING APPROPRIATION FOR CORPORATE PURPOSE FOR THE YEAR 2021-2022
BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF LOVES PARK, ILLINOIS:**

Section 1: That the following sums of money or so much thereof as may be needed or deemed necessary to defray all expenses and liabilities of the City, be and the same or hereinafter specified for the Fiscal Year commencing on the 1st day of May 2021 and ending on the 30th day of April 2022.

Section 2: Attached and made a part of this Ordinance is the itemized income available for the 2021-2022 year to meet the obligation set forth in this Appropriation Ordinance.

GENERAL ADMINISTRATION

Salaries of Aldermen	\$117,000.00
Expenses of City Officials	\$25,000.00
Office Supplies	\$1,000.00
New Equipment	\$1,000.00
Telephone	\$16,000.00
Workman's Compensation	\$219,115.00
General Administration	\$10,000.00
Social Security	\$155,000.00
Medicare	\$85,000.00
Insurance-City Property/Personnel	\$205,000.00
Group Health & Life Insurance	\$1,801,000.00
IMRF	\$250,000.00
Contracted Transit Services	\$403,085.00
Website Maintenance	\$60,000.00
IT Support/Fiber Costs	\$15,000.00
Miscellaneous	\$25,000.00
Recording Fees/Mowing Liens/Mowing	\$10,000.00
Unemployment Claims	\$10,000.00
Self Insurance	\$10,000.00
Copy Machine/Shredder Expense	\$7,000.00
Reclaiming First	\$170,000.00
Tourism	\$300,000.00
Rockford Area Economic Development Council	\$25,000.00
City Tourism Development	\$10,000.00
Organizations Grant Program	\$10,000.00
Economic Development Fund	\$200,000.00
Debt Service-Principal-Leases/All Depts./Alpine Cert.	\$1,510,000.00
Debt Service-Interest-Leases/All Depts./Alpine Cert.	\$170,000.00
Sales Tax Agreements	\$1,007,000.00
Grants/includes PD	\$100,000.00
IDHA Rehabilitation Grant	\$110,000.00
IDHA Demolition Grant	\$48,000.00
Orth Road Engineering	\$33,000.00
Crimestoppers Grant	\$32,500.00
American Rescue Grant	\$1,444,000.00
Regional GIS Development	\$11,000.00
Riverside Traffic Study	\$50,000.00
HR Consulting	\$3,000.00
Harvest Hills SSA #1	\$27,409.00
Perryville Lights SSA Project	\$104,400.00
Interstate Blvd Project	\$500,000.00
Beautification	\$30,000.00
EPA Sand Park Remediation	\$10,000.00
MRO Airport Agreement	\$20,000.00
Contingency Fund	\$500,000.00
TOTAL GENERAL ADMINISTRATION	\$9,850,509.00

MAYOR'S OFFICE

Salary of Mayor	\$97,098.00
Expenses of Mayor	\$6,000.00
Conference Expenses	\$2,000.00
Salary of Clerk	\$20,800.00
Secretary	\$44,730.00
Office Supplies	\$1,000.00
Telephone	\$1,000.00
Gasoline	\$4,000.00
Car Repair and Maintenance	\$7,000.00
Miscellaneous	\$500.00
New Equipment	\$5,000.00

TOTAL MAYOR'S OFFICE

\$189,128.00

CITY CLERK'S OFFICE

Salary of City Clerk	\$80,915.00
Salary of Deputy Clerk	\$59,850.00
Salary of Secretary	\$44,730.00
Overtime	\$500.00
Longevity	\$4,584.00
Publication of Legal Notices	\$3,000.00
Expenses of Election	\$300.00
Professional Development	\$2,400.00
Office Supplies	\$3,000.00
New Equipment	\$1,500.00
Agenda Software	\$8,000.00
Office Equipment Maintenance	\$4,000.00
License & Tags	\$1,200.00
Telephone	\$600.00
Licensing Background Checks	\$1,000.00
Miscellaneous	\$2,500.00

TOTAL CITY CLERK'S OFFICE

\$218,079.00

TREASURER'S OFFICE

Salary of Treasurer	\$80,915.00
Salary of Deputy Treasurer	\$71,980.00
Salary of Secretary	\$53,925.00
Pension Administrator	\$5,000.00
Overtime	\$20,000.00
Longevity	\$9,963.00
Office Supplies	\$5,000.00
New Equipment	\$11,000.00
Telephone	\$500.00
Auditing	\$29,000.00
Actuarial Services	\$8,250.00
Miscellaneous	\$500.00
Bank Fees	\$30,000.00

TOTAL TREASURER'S OFFICE

\$326,033.00

COMMUNITY DEVELOPMENT/PUBLIC WORKS DEPARTMENT

Building Inspector	\$72,280.00
Electrical Inspector	\$72,280.00
Longevity	\$27,271.00
Plumbing Inspector	\$27,645.00
Licensing, Dues, and Subscriptions	\$3,000.00
Office Supplies	\$5,500.00
New Equipment	\$18,000.00
WINGIS Maintenance	\$1,000.00
Printing/Reproductions	\$2,000.00
Telephone	\$8,000.00
Training/Conferences	\$4,500.00
Miscellaneous	\$1,000.00
Economic Development/Planning Manager	\$83,115.00
Zoning Board Members Salaries	\$3,360.00
Community Development Secretary	\$47,417.00
Clerical Part-time	\$10,000.00
Zoning Officer	\$49,870.00
Code Enforcement Officer	\$55,248.00
Public Works Secretary	\$47,417.00
Community Development Director	\$99,736.00
Meeting Expense	\$500.00
Travel Expense	\$3,000.00
Tax Increment Financing (TIF)	\$36,000.00
Software Maintenance	\$15,000.00
Plotter Maintenance	\$1,000.00
RMAP Fees	\$20,000.00
Winnebago County Inspection Fees	\$4,000.00
Gasoline	\$5,000.00
Car Repair and Maintenance	\$8,000.00
Branding and Marketing	\$20,000.00
Engineering Services	\$5,000.00
EPA Storm Water Fee	\$1,000.00

TOTAL COMMUNITY DEVELOPMENT/PUBLIC WORKS **\$757,139.00**

CITY ATTORNEY'S OFFICE

Special Prosecutor/Assistant City Atty.	\$65,000.00
Claims and Additional Attorney's Expenses	\$350,000.00
Code Enforcement Hearing Expenses	\$20,000.00
Special Assessment Professional Services	\$5,000.00

TOTAL CITY ATTORNEY **\$440,000.00**

BUILDINGS AND GROUNDS

Facilities Manager	\$22,000.00
Contracted Facilities Management	\$36,000.00
Longevity	\$7,272.00
Telephone	\$250.00
Custodial Service	\$60,000.00
Natural Gas	\$10,000.00
Electricity	\$10,000.00
Improvements	\$150,000.00
Building Repair and Maintenance	\$500,000.00
Water and Sewer Charge - All City Depts.	\$10,000.00
Landscaping	\$20,000.00
Miscellaneous	\$15,000.00
Parks	\$65,000.00

TOTAL BUILDINGS AND GROUNDS **\$905,522.00**

HEALTH AND SANITATION

Senior Discount Sanitary Sewer	\$4,000.00
Mosquito Spraying	\$50,000.00
Miscellaneous	\$1,000.00
Animal control	\$60,000.00

TOTAL HEALTH AND SANITATION**\$115,000.00****STREET DEPARTMENT**

Street Dept. Manager	\$88,654.00
Public Works Foreman	\$38,732.00
Maintenance Wages	\$504,774.00
Seasonal Hires	\$25,000.00
Longevity	\$20,666.00
Road Repair Materials	\$70,000.00
Road Repairs and Infrastructure	\$1,025,000.00
Sidewalks and Curb Repairs	\$70,000.00
Storm Water Management	\$868,000.00
Engineering Future Projects	\$210,000.00
New Equipment	\$360,000.00
Uniforms	\$10,000.00
Tools	\$3,000.00
Buildings & Grounds, Maint./Repair	\$40,000.00
Maintenance Inventory	\$15,000.00
Equipment Repairs/Trucks	\$100,000.00
Equipment Repairs/Tools	\$2,000.00
Equipment Repairs/Sweepers	\$35,000.00
Equipment Repairs/Saws, Mowers, Small Equip	\$8,000.00
Equipment Repairs/Major Equipment	\$20,000.00
Maintenance-St. Sewers/Catch Basins	\$10,000.00
Contract Maint-Street Sewers/Basins	\$8,000.00
Snow Removal - In House	\$70,000.00
Snow Removal - Contractual	\$20,000.00
Snow Removal - Maintenance	\$35,000.00
Oil & Fluids	\$10,000.00
Utilities	\$1,000.00
Communications Expense	\$12,000.00
Miscellaneous	\$3,000.00
Bridges & Inspections	\$20,000.00
Safety Supplies & Inspections	\$7,000.00
Travel	\$4,000.00
Training	\$6,000.00
Truck Licensing	\$500.00
Gasoline	\$50,000.00
Signs	\$30,000.00
Traffic Signal Maintenance	\$50,000.00
Street Paint	\$20,000.00
Street Light Maintenance	\$25,000.00

TOTAL STREET DEPARTMENT**\$3,895,326.00**

FIRE DEPARTMENT	
Salary of Fire Chief	\$95,304.00
Salary of Deputy Chief of Administration	\$25,745.00
Firefighters Allowance	\$10,000.00
Contract Fire/Paramedic Services	\$2,231,528.00
Ambulance Billing Service	\$55,000.00
Fire Dept. Equipment Repairs	\$100,000.00
Fire Department Certifications	\$11,650.00
Office Supplies	\$5,700.00
EMS Supplies	\$16,500.00
Maintenance Supplies	\$3,500.00
Uniforms	\$3,500.00
New Equipment	\$151,000.00
Firefighter Turnout Gear	\$20,000.00
Truck Maintenance Supplies	\$500.00
Maintenance of Station #1	\$5,000.00
Maintenance of Station #2	\$2,500.00
Education Expenses	\$10,500.00
Travel Expense	\$1,000.00
Dues & Subscriptions	\$5,840.00
Utilities	\$3,000.00
Employment Medical/Fitness Exams	\$25,000.00
Inspection Bureau	\$1,750.00
Miscellaneous	\$1,400.00
Gasoline	\$30,000.00
Communication Expenses	\$74,700.00
Computer Expense	\$43,115.00
	<hr/>
TOTAL FIRE DEPARTMENT	\$2,933,732.00

<u>POLICE DEPARTMENT</u>	
Salary of Police Chief	\$120,426.00
Salary of Deputy Chiefs	\$219,600.00
Salaries of Regular Officers	\$3,097,724.00
Salaries of Reg. Officers – Overtime	\$175,000.00
Longevity – Union & Non-Union	\$128,261.00
911 Dispatch Services	\$150,352.00
Uniform Allowance	\$60,000.00
Uniform Cleaning Allowance	\$50,700.00
Education Expenses	\$46,500.00
Squad Cars Equipment/Supplies	\$10,000.00
Office Equipment/Supplies	\$30,000.00
Communication Expense and Telephones	\$62,000.00
Salary of Full-time Clerical	\$39,850.00
Evidence Processing Fees	\$50,000.00
Arms, Ammunition and Equipment	\$20,500.00
Miscellaneous	\$7,500.00
Towing Expense	\$70,000.00
Police Pension Fund	\$1,464,435.00
Public Information	\$10,000.00
Special Investigative Expense	\$16,500.00
Data Processing	\$111,000.00
Department Forms and Printing	\$5,000.00
New Equipment	\$120,000.00
Police Secretary	\$52,675.00
Drug Forfeiture Account (restricted)	\$5,000.00
Slant Salaries	\$88,608.00
Squad Replacements	\$202,000.00
Clerical Assistant	\$35,000.00
Task Forces-Federal Equitable Sharing	\$150,000.00
Squad Licensing	\$3,000.00
Gasoline	\$95,000.00
Squad Repair and Maintenance	\$75,000.00

TOTAL POLICE DEPARTMENT

\$6,771,631.00

CIVIL SERVICE

Meeting Expense	\$2,600.00
Civil Service Exams	\$3,000.00
Civil Service Printing	\$300.00
Court Reporter	\$500.00
Publication Costs	\$2,000.00
Attorney's Fees	\$25,000.00
Miscellaneous	\$500.00
Office Supplies	\$100.00

TOTAL CIVIL SERVICE

\$34,000.00

EXPENDITURES BY DEPARTMENT

General Administration	\$9,850,509.00
Mayor's Office	\$189,128.00
City Clerk's Office	\$218,079.00
Treasurer's Office	\$326,033.00
Community Development/Public Works	\$757,139.00
City Attorney's Office	\$440,000.00
Buildings and Grounds	\$905,522.00
Health and Sanitation	\$115,000.00
Street Department	\$3,895,326.00
Fire Department	\$2,933,732.00
Police Department	\$6,771,631.00
Civil Service	\$34,000.00
TOTAL GENERAL FUND APPROPRIATION	\$26,436,099.00

EXPENDITURES BY RESTRICTED FUNDS 2021-2022

LOVES PARK WATER DEPARTMENT – (Restricted)

Water Dept. Manager	\$93,087.00
Public Works Foreman	\$38,733.00
Office Salaries	\$171,000.00
Seasonal Hires	\$4,500.00
Maintenance Salaries	\$512,392.00
Longevity	\$22,000.00
Health Insurance	\$215,000.00
FICA & Medicare	\$66,656.00
IMRF	\$98,245.00
Workmen’s Compensation Ins. Expense	\$11,000.00
Pension Expense - GASB 68	\$21,000.00
Repair and Maintenance	\$953,000.00
Utility Expenses	\$598,500.00
Vehicle Expenses	\$40,000.00
Office Expenses	\$268,600.00
Chemicals	\$115,500.00
Meters	\$17,000.00
Interest & Other Expenses	\$167,000.00
Depreciation Expense	\$850,000.00
Rock River Disposal Refuse Collection	\$1,900,000.00

Total **\$6,163,213.00**

BRIDGE FUND (restricted)

Maintenance \$110,500.00

MOTOR FUEL TAX FUND (Restricted)

Road Construction and Repair \$4,861,747.00

NORTH SECOND STREET TIF (Restricted)

Expenditures Re: Public Projects/RDA’s/Bond Pmts. \$518,096.00

MEADOWMART BUSINESS DISTRICT TAX ALLOC FUND (Restricted)

Sales Tax Rebate Payments Under Agreement \$100,000.00

LOVES PARK CORP CENTER TIF (Restricted)

Expenses Re: Payments Under Redevelopment Agreement : \$797,620.00

SPRING CREEK LAKES TIF (Restricted)

Expenses Re: Public Projects/RDA \$1,115,834.00

ZENITH CUTTER TIF (Restricted)

Expenses Re: Payments Under Redevelopment Agreement \$1,149,550.00

FOREST HILLS TIF (Restricted)

Expenditures Re: Public Projects/RDA \$363,870.00

FOREST HILLS BUSINESS DISTRICT TAX ALLOC FUND (Restricted)

Expenditures Re: Sales Tax Rebate Payments under RDA \$284,312.00

TOTAL EXPENDITURES BY RESTRICTED FUNDS **\$15,464,742.00**
TOTAL EXPENDITURES BY GENERAL FUND **\$26,436,099.00**

GROSS APPROPRIATION

\$41,900,841.00

Section 3: All unexpended balances of any items of any general appropriation made by this Ordinance may be expended in making up any deficiency in any item or items in the same general appropriation made by this Ordinance as recommended by the Finance Committee and as provided by law.

Section 4: The invalidity of any section of paragraph of this Ordinance shall not invalidate the other remaining portions thereof.

Section 5: This Ordinance shall be in full force and effect from and after its passage, approval and publication, as provided by law.

APPROVED:

GREGORY R. JURY, MAYOR

ATTEST: ROBERT J BURDEN, CITY CLERK

PASSED:

APPROVED:

PUBLISHED:

**APPROPRIATION ORDINANCE 2021 - 2022
ESTIMATED REVENUE
GENERAL FUND**

Cash on Hand - General Fund	\$3,524,807.00
Interest	\$35,000.00
One-Half Township Road Fund Tax	\$212,000.00
Sales and Use Tax	\$6,740,000.00
Road Referendum Income – Non-Home Rule 1% Sales Tax	\$3,290,000.00
State Income Tax	\$2,660,000.00
Replacement Tax	\$80,000.00
Cannabis Tax	\$263,000.00
American Rescue Plan	\$1,444,000.00
Ambulance Service Fees	\$950,000.00
GEMT Ambulance Reimbursement	\$125,000.00
Video Gaming Revenues	\$1,300,000.00
Casino Revenue	\$50,000.00
Video Gaming Machine Licenses	\$13,000.00
Municipal Utility Tax	\$1,520,000.00
Municipal Hotel Operator’s Tax	\$160,000.00
Telecommunications Tax	\$350,000.00
Plat Fees	\$1,000.00
Fence Permits	\$1,000.00
Liquor Licenses	\$190,000.00
Business Licenses	\$2,000.00
Building/Electrical/Mechanical & Sign Permits	\$211,000.00
Plumbing Fees and Licenses	\$40,000.00
Mental Health Officer Grant	\$138,000.00
Police Fines/DUI	\$247,000.00
Police Reports	\$3,000.00
Federal Equitable Sharing	\$150,000.00
Zoning Fees	\$8,000.00
Franchise – Comcast Communications	\$325,000.00
Vending and Amusement Licenses	\$6,500.00
Highway 251 Traffic Signals/Maintenance	\$43,100.00
Municipal Rentals	\$56,000.00
Miscellaneous Income	\$20,000.00
Self Service Gas Licenses	\$1,500.00
Slant Reimbursement	\$88,608.00
Pension Fund Administration	\$5,000.00
Drug Fines, Seizures	\$13,000.00
Oversize/Weight Vehicle Permits	\$30,000.00
Machesney Park Inspection Fees	\$55,000.00
Winnebago County Host Fees	\$280,000.00
Cell Tower Rental	\$45,000.00
FEMA/CURE COVID Grants	\$20,000.00
Grants-Police, Crimestoppers, K9	\$32,500.00
Sewer Extension Reimbursements	\$5,000.00
Mowing Liens	\$10,000.00
Administrative Hearings – Fees & Fines	\$500.00
Harlem Resource Officer Reimbursement	\$84,000.00
Water IMLRMA Premium	\$34,000.00
Beautification	\$2,500.00
SCDC Local Match Interstate Blvd Watermain	\$500,000.00
Harvest Hills SSA#1 Tax Receipts	\$27,409.00
Storm Water Detention	\$1,000.00
Lease Proceeds	\$470,000.00
Water Dept. Health Insurance Reimbursement	\$150,000.00
Perryville Lights Project	\$66,675.00

Snow Parking Fees	\$6,000.00
Administrative Towing Fees	\$200,000.00
IHDA Grant-Demo and Rehab Homes	\$148,000.00
State of Illinois Debt Collection Program	\$2,000.00

TOTAL ESTIMATED GENERAL FUND INCOME **\$26,436,099.00**

**APPROPRIATION ORDINANCE 2021 - 2022
ESTIMATED REVENUE
RESTRICTED FUNDS**

L.P. Water Department Expenditures	\$6,163,213.00
L.P. Water Department Revenues	\$6,163,213.00
Riverside Bridge Fund Expenditures	\$110,500.00
Riverside Bridge Fund Revenues	\$110,500.00
Motor Fuel Tax Fund Expenditures	\$4,861,747.00
Motor Fuel Tax Fund Revenues	\$4,861,747.00
N.2nd St. TIF Expenditures-Public Projects/RDA's/Bond Pmts.	\$518,096.00
N.2nd St. TIF Cash on Hand/TIF Increment/City Contribution	\$518,096.00
Meadow Mart Bus.Dist. TIF Sales Tax Rebate Under Agreement	\$100,000.00
Meadow Mart Bus.Dist. TIF Sales Tax Rebate Under Agreement	\$100,000.00
L.P. Corp. Center TIF Payments Under Redev. Agreement	\$797,620.00
L.P. Corp. Center TIF Cash on Hand/TIF Increment	\$797,620.00
Spring Creek Lakes TIF Payments Under Redevelopment Agree.	\$1,115,834.00
Spring Creek Lakes TIF Cash on Hand/TIF Increment	\$1,115,834.00
Zenith Cutter TIF Payments Under Redevelopment Agree.	\$1,149,550.00
Zenith Cutter TIF Cash on Hand/TIF Increment	\$1,149,550.00
Forest Hills TIF Expenditures Under Agreement	\$363,870.00
Forest Hills TIF Cash on Hand/Increment	\$363,870.00
Forest Hills Business District Sales Tax Rebate Payments	\$284,312.00
Forest Hills Business District Sales Tax Rebate Payments	\$284,312.00
TOTAL ESTIMATED RESTRICTED FUND EXPENDITURES	\$15,464,742.00
TOTAL ESTIMATED RESTRICTED FUND REVENUES	\$15,464,742.00

TOTAL FY2021 – 2022 APPROPRIATION: **\$41,900,841.00**
TOTAL FY2021 – 2022 ESTIMATED REVENUES: **\$41,900,841.00**

Memorandum

To: Mayor Jury
Loves Park City Council

From: AGHL Law

RE: Redevelopment Agreement with Loves Park One, LLC; 5th Amendment to SCL RDA

Date: July 19, 2021

Fifth Amendment to Redevelopment Agreement for SCL Business Park LLC

SCL Business Park, LLC (“SCL”) has a 2014 redevelopment agreement (“2014 RDA”) with the City covering the entirety of the TIF District, and is entitled to a total of \$18,000,000 in TIF increment produced therein. SCL is permitted within the 2014 RDA to incentivize growth by assigning TIF increment to developers of property within the TIF District. A “Fifth Amendment” to the 2014 RDA is necessary to memorialize the assignment of \$963,962.80 of TIF, and potentially up to \$1,838,962.80, from SCL to Loves Park One LLC (see below). This reduces the TIF available to SCL by the amounts assigned.

Redevelopment Agreement for Loves Park One LLC

Loves Park One, LLC is purchasing land in the Spring Creek Lakes IJRL TIF district (“TIF District”) to construct a building of no less than 110,000 square feet for operations to include manufacturing, industrial, warehousing or distribution purposes. We anticipate this to be a refrigerated warehouse. Loves Park One must obtain title to the land prior to October 1, 2021 and have an occupancy permit for the building by July 1, 2022. The redevelopment agreement with Loves Park One provides for TIF increment reimbursement of statutory eligible project costs up to \$963,962.80. Additionally, if Loves Park One expands the building to 200,000 square feet prior to July 1, 2025, they will be eligible for reimbursement of an additional \$875,000 of statutory eligible project costs in TIF increment, increasing the maximum amount of reimbursement Loves Park One can receive to \$1,838,962.80 (“Maximum TIF Amount”). These amounts are deducted from what is available to SCL under their redevelopment agreement.

Payments of TIF increment begin with the 2022 real estate taxes payable to the City in 2023. All payments to Loves Park One are equal to 80% of increment being paid to the City for the Loves Park One’s property, so this is a “pay as you go” structure with no advance of increment by the City. The Developer RDA contains a local labor preference language in section 10.15. This does not require local contractors, but encourages local contractors. The Loves Park One will remain subject to the Spring Creek Lakes maintenance SSA.

ORDINANCE NO. _____

AN ORDINANCE AUTHORIZING THE CITY OF LOVES PARK TO ENTER INTO A REDEVELOPMENT AGREEMENT WITH LOVES PARK ONE, LLC

WHEREAS, the City of Loves Park ("City") is a duly organized and existing municipality created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, as supplemented and amended from time to time; and

WHEREAS, the City has duly established an Industrial Jobs Recovery Law District known and the "Spring Creek Lakes Redevelopment Project Area" under the provisions of the Industrial Jobs Recovery Law, 65 ILCS 5/11-74.6-1 *et seq.* ("Law"), within which Spring Creek Lakes Redevelopment Project Area the City has implemented Tax Increment Financing; and

WHEREAS, the City is authorized under the provisions of Law to enter into agreements which are necessary or incidental to the implementation of the redevelopment plan and project for the Spring Creek Lakes Redevelopment Project Area; and

WHEREAS, the Developer intends to acquire certain real property located within the Spring Creek Lakes Redevelopment Project Area ("Developer Property"); and

WHEREAS, the City has entered into negotiations with Loves Park One, LLC, an Illinois Limited Liability Company ("Developer"), for the purposes of drafting a redevelopment agreement to assist with the development of the Developer's property; and

WHEREAS, The City has determined that the execution of such a redevelopment agreement with the Developer is in the best interests of the City.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF LOVES PARK, COUNTY OF WINNEBAGO AND COUNTY OF BOONE, ILLINOIS, AS FOLLOWS:

1. The above recitals are incorporated herein and made a part hereof.
2. The City hereby approves the execution of that certain Redevelopment Agreement by and between the City and Developer in substantially the same form as attached hereto as Exhibit "A" ("Redevelopment Agreement").
3. The Mayor is hereby authorized to sign the Redevelopment Agreement as well as any other necessary documentation required to finalize the Redevelopment Agreement.
4. This ordinance shall become effective upon its passage, approval and publication as provided by law.

PASSED by the City Council of the City of Loves Park this ____ day of July, 2021.

APPROVED:

Mayor Gregory R. Jury

ATTEST:

City Clerk Robert J. Burden

PUBLISHED:

**Ordinance
EXHIBIT "A"
Redevelopment Agreement**

REDEVELOPMENT AGREEMENT FOR
LOVES PARK ONE LLC

This Redevelopment Agreement (“**Agreement**”) dated as of this ___ day of July, 2021 is made by and between the City of Loves Park, Illinois, an Illinois Municipal Corporation, having its principal offices at 100 Heart Boulevard, Loves Park, Illinois (“**City**”) and Loves Park One, LLC, an Illinois Limited Liability Company having its principal office at 1450 McMahan Drive, Neenah, Wisconsin, 54956 (“**Developer**”). All capitalized terms are defined herein or otherwise have such definitions as are set forth in the Industrial Job Recovery Law, 65 ILCS 5/11-74.6-1 *et seq. as amended*, (the “**Act**”).

RECITALS

WHEREAS, the City is a duly organized and existing municipal corporation created under the provisions of the laws of the State of Illinois and is now operating under the provisions of the Illinois Municipal Code, as supplemented and amended from time to time; and

WHEREAS, pursuant to the Act, the City, by Ordinance Nos. 3770-11, 3771-11 and 3772-11, adopted by the City Council on November 28, 2011, approved a Redevelopment Plan and Project (“**Redevelopment Plan**”), designated a redevelopment project area specifically designated as the “**Spring Creek Lakes Redevelopment Project Area**” (“**Redevelopment Project Area**”), and adopted tax increment allocation financing (“**TIF**”) within the Redevelopment Project Area; and

WHEREAS, the City is authorized under the Act to undertake the redevelopment of the Redevelopment Project Area if the conditions specified in the Act are met, including but not limited to, the approval of redevelopment plans and projects, and the payment of costs of such redevelopment as are permitted under the Act; and

WHEREAS, the Developer is under contract and intends to acquire certain real property located within the Redevelopment Project Area which is legally described and depicted in “**Exhibit A**” attached hereto and made a part hereof (“**Developer Property**”); and

WHEREAS, the Developer intends to undertake the construction of a building on the Developer Property of no less than 110,000 square feet, to be utilized for manufacturing, distribution or other purposes which are in compliance with the Act (“**Developer Project**”) with adequate real property to increase the building size to 200,000 square feet; and

WHEREAS, the City recognizes that the Developer will need to incur eligible “**Redevelopment Project Costs**”, as that term defined in the Act, by acquiring and developing the Developer Property and the City is willing to reimburse Developer for some of the same; and

WHEREAS, Available Developer Property Increment (as defined below) is currently pledged for the benefit of SCL Business Park, LLC, an Illinois Limited Liability Company (“**SCL**”); and

WHEREAS, the City’s obligations herein will be conditioned upon SCL executing an amendment to the Redevelopment Agreement entered into by the City and SCL on November 6,

2014, which will allow the Available Developer Property Increment to be paid to Developer (“**Required Amendments**”); and

WHEREAS, the City desires to enter into this Agreement with the Developer to provide the Developer with TIF assistance in order to defray certain Redevelopment Project Costs relating to the Developer Project; and

WHEREAS, the Developer Property is and shall remain subject to the terms and conditions of those “Annexation Agreements” recorded against the Developer Property, as amended from time to time in accordance with applicable law and approved by Developer in writing; and

WHEREAS, the City, after due and careful consideration, has concluded that the development of the Developer Property and the utilization of TIF assistance, will further the growth of the City, facilitate the development of the Redevelopment Project Area, increase the assessed valuation of real estate situated within the Redevelopment Project Area, increase the economic activity within the City as a whole, provide a substantial number of jobs to residents of the City and otherwise be in the best interests of the City.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and Developer agree as follows:

SECTION I **INCORPORATION OF RECITALS**

The Recitals set forth above are an integral part of this Agreement and by this reference are incorporated in this Section I.

SECTION II **REPRESENTATIONS AND WARRANTIES**

2.1. **Representations and Warranties of Developer**. To induce the City to execute this Agreement and perform the obligations of the City hereunder, Developer hereby represents and warrants to the City as follows:

(a) Developer is a duly organized and existing limited liability company in good standing under the laws of the State of Illinois authorized to do business in Illinois;

(b) No litigation or proceedings are pending, or to the Developer’s actual knowledge, are threatened against Developer, which could: (i) affect the ability of Developer to perform its obligations pursuant to and as contemplated by the terms and provisions of this Agreement; or (ii) materially affect the operation or financial condition of Developer;

(c) To the Developer’s actual knowledge, the execution, delivery and performance by Developer of this Agreement does not constitute, and will not, upon giving of notice or lapse of time, or both, constitute a breach or default or “event of default” under any other agreement to which Developer is a party to or by which it may be bound;

(d) The parties executing this Agreement on behalf of Developer have been duly authorized by all appropriate action to enter into, execute, and deliver this Agreement and perform the terms and obligations contained herein;

(e) Developer is under contract to acquire the fee simple legal title of the Developer Property;

(f) Developer agrees to pay all costs associated with the acquisition of land, development, financing, leasing, construction, and maintenance of the Developer Project (the “**Developer Obligations**”), as contemplated by this Agreement, and to indemnify and hold the City harmless from any liability for such costs; and

(g) The above representations and warranties are made in addition to all other representations and warranties made throughout this Agreement.

2.2. **Representations and Warranties of the City**. To induce the Developer to execute this Agreement and to perform the Developer’s obligations hereunder, the City hereby represents, warrants, and covenants to the Developer as follows:

(a) The City is an Illinois municipal corporation duly incorporated and existing under the laws of the State of Illinois, and is authorized to and has the power to enter into, and by proper action has been duly authorized to execute, deliver and perform this Agreement;

(b) Subject to the City obtaining the Required Amendments, neither the execution and delivery of this Agreement by the City, the consummation of the transactions contemplated hereby by the City, nor the fulfillment of or compliance with the terms and conditions of this Agreement by the City conflicts with or will result in a breach of any of the terms, conditions or provisions of any offerings or disclosure statement made or to be made on behalf of the City or any other agreement to which the City is a party;

(c) Subject to the City obtaining the Required Amendments, the City has, to the best of its actual knowledge, complied with the Act in all manners necessary to provide the TIF for the benefit of Developer, and the Developer Project, as contemplated by this Agreement;

(d) The Developer Project, as represented by Developer, is in furtherance of the objectives of the Redevelopment Plan in accordance with the Act; and,

(e) The Redevelopment Project Costs are eligible for reimbursement from Available Developer Property Increment, to the extent available and up to the Maximum TIF Amount (defined in Section 5.1), as Developer Eligible Redevelopment Project Costs (as defined below) under the Act, subject to the satisfaction of the terms of Section 3.3 herein.

2.3. **Survival of Representations and Warranties**. The parties agree that, to the best of their respective knowledge, all of their representations and warranties set forth in this Agreement are true as of the execution date of this Agreement and shall survive for the term of this Agreement.

SECTION III
DEVELOPER OBLIGATIONS

3.1. **Acquisition of Property & Construction of Facility.** Subject to the Developer Project Acquisition Contingency (as defined below), Developer shall acquire title to the Developer Property and complete construction of a new building (the “**Facility**”) of no less than 110,000 square feet to be utilized primarily for manufacturing, industrial, warehousing or distribution purposes, with an occupancy permit for said space to be obtained no later than July 1, 2022, subject to any Permitted Delays. The exterior walls of the Facility will be constructed of pre-cast concrete (except for the expansion wall which will be constructed of IMP). All construction shall comply with all federal, state, and local regulations, codes, ordinances and laws of general applicability (all as amended from time-to-time), as well as meet or exceed the **Design Criteria** attached hereto as **Exhibit “B”** and comply with other agreements of record, including but not limited to the valid and enforceable Annexation Agreements (collectively, the “**Legal Requirements**”). Any construction must be subject to the City’s Ordinance required review and approval process for other development and construction projects occurring throughout the City. Notwithstanding anything contained within this Agreement to the contrary, in the event Developer, for any reason, has failed to obtain title to the Developer Property on or before October 1, 2021 and if an occupancy permit for at least 110,000 square feet is not issued for the Facility prior to July 1, 2022 subject to any Permitted Delays, then this Agreement, and all its terms and conditions, shall automatically terminate as of such date and neither party shall have any further obligation or liability hereunder (the “**Developer Project Acquisition Contingency**”).

3.2. **Responsibility for Developer Obligations.** The Developer shall remain ultimately responsible for Developer Obligations and does hereby agree to indemnify and hold the City harmless from any costs or liability it may incur in connection with the same. The City shall have no obligation to perform or pay for any portion of the Developer Obligations.

3.3. **Eligible Redevelopment Project Costs.** “**Developer Eligible Redevelopment Project Costs**” are those Redevelopment Project Costs incurred and paid by Developer which the Developer shall be reimbursed from Available Developer Property Increment (defined in Section 4.3), to the extent available and up to the Maximum TIF Amount. Developer Eligible Redevelopment Costs will be limited to those Redevelopment Project Costs as allowed by the Act which may include but not be limited to the acquisition of the Developer Property, broker commission, utility installation, costs of surveys, engineering planning and design, architectural planning and design, geotechnical reports, environmental reports, site preparation costs and costs of marketing.

3.4. **Utilization.** The Developer Property shall at all times be utilized in a manner consistent with manufacturing, industrial, warehousing or distribution purposes as well as other permissible uses identified in or allowed by the Act and the Redevelopment Plan, provided the same complies with the Legal Requirements.

3.5. **Plans and specifications.** All site, architectural and engineering drawings and specifications (the “**Plans**”) for the Developer Property, inclusive of the Plans for the building(s) to be erected on the Developer Property, shall be submitted to the City by Developer at its sole cost and expense and shall be reviewed and processed by the City or its agents pursuant to the City’s municipal ordinances, as amended from time-to-time (the “**City Ordinances**”), and as set forth below. Such Plans shall conform to the Legal Requirements.

3.6. **City's Right to Monitor and Inspect Developer Property.** The City's right to inspect the Developer Property, and the construction of improvements or operation of businesses located thereon, shall be conducted in accordance with the City Ordinances.

3.7. **Real Estate Taxes.** To the extent required by law, Developer shall pay all real estate tax bills, inclusive of any special assessments and special service area taxes levied upon the Developer Property, on or before the date on which they are due and payable. The payment of such sums in a timely fashion is a condition precedent to receipt by Developer of any reimbursements described in this Agreement, subject to the terms and conditions of Section 8.1 below.

SECTION IV **TAX INCREMENT FINANCING**

4.1. **Tax Increment Allocation Financing of Redevelopment Project Costs.** Developer has represented to the City that, but for tax increment financing, the Developer Project would not be economically viable. The Parties agree that tax increment allocation financing, implemented in accordance with the terms and provisions of the Act and this Agreement, will be a source of providing partial funding for the Developer Project to make the Developer Project economically viable within the City.

4.2. **Authenticating the Developer Eligible Redevelopment Project Costs.** Prior to the City's certification of costs as Developer Eligible Redevelopment Project Costs in accordance with this Agreement, and to establish a right of reimbursement for specific Developer Eligible Redevelopment Project Costs under this Agreement, Developer shall submit to the City or its designee a written statement setting forth the amount of specific Developer Eligible Redevelopment Project Costs for which certification is sought (each a "**Request for Certification**"). Such Request for Certification shall be accompanied, if applicable, by a signed real estate settlement closing statement, real estate transfer declaration statement, copy of the deed containing evidence of recording the Winnebago County Recorder's Office transferring title to Developer and such other evidence as the City or its designee shall reasonably require evidencing that Developer has incurred and paid the Developer Eligible Redevelopment Project Costs sought to be certified. If a Request for Certification is deficient, the City shall notify the Developer of the specific deficiencies in writing and the Developer shall have the opportunity to cure such deficiency. Upon the Developer's delivery of reasonably sufficient evidence the City shall certify such costs in accordance with this Agreement.

4.3. **Available Tax Increment and Priority of Payment.** For the purposes of this Agreement, the term "**Developer Property Increment**" means one hundred percent (100%) of that portion of the ad valorem taxes if any, arising from the taxes levied upon the Developer Property upon which a building is constructed and an occupancy permit granted thereto (which may initially be temporary), which taxes are actually collected and which are attributable to the increases in the then current equalized assessed valuation ("**EAV**") of the Developer Property over and above the total initial EAV of the Developer Property as determined by the Winnebago County Clerk pursuant to the Act, and further in accordance with this Agreement, and which includes any replacement, substitute or amended taxes. For the purposes of this Agreement, "**Available Developer Property Increment**" means Eighty percent (80%) of the Developer Property Increment deposited into the Special Tax Allocation Fund attributable to the Developer Property which is attributable to tax year 2022 and subsequent tax years. The parties to this Agreement

acknowledge that any Developer Property Increment attributable to a specific tax year is billed in the following calendar year by the Winnebago County Treasurer. For example, Developer Property Increment attributable to tax year 2022 is billed, and payment due, in calendar year 2023 by the Winnebago County Treasurer. “**Special Tax Allocation Fund**” (“**STAF**”) means the separate City account into which the Developer Property Increment and other incremental taxes generated within the Redevelopment Project Area are, from time to time, deposited.

4.4. **Restrictions on Assignment.** Developer shall not assign any of its rights or obligations under this Agreement without the express prior written consent of the City, which consent shall not be unreasonably withheld, conditioned, or delayed and for which the City may require the assignee to assume certain obligations of this Agreement. Notwithstanding the foregoing, Developer shall have the right to assign, without the City’s consent, this Agreement at any time to: (a) any corporation, partnership or other business entity controlled by Developer or by the majority of the members or officers thereof; or (b) to any land trust of which Developer or other business entity controlled by Developer or the majority of the members or officers thereof is the beneficiary and also retains the power of direction over the trustee of the land trust. Any assignment by Developer shall relieve it of any and all of its executory obligations and duties under this Agreement that are delegated to and assumed by the assignee, and the City hereby waives any right it may have by law, under the terms of this Agreement or otherwise to demand assurance of performance from any such assignor, except if the City has reasonable grounds for insecurity, which grounds will exclude the assignment itself. For purposes of this Section, Developer shall not be deemed to be in control of another business entity unless Developer or a majority of the members of Developer has an ownership interest in such business entity equal to or greater than 51%. No assignment will be effective until written notice is given to the City and the assignee expressly adopts and confirms the Developer’s representations and warranties which are contained in this Agreement as of the time of the assignment. Notwithstanding the foregoing, Developer shall be able to assign up to Four Hundred Sixty-three Nine Hundred Sixty-two and 80/100ths Dollars (\$463,962.80) of its right to future payments of Available Developer Property Increment to SCL. Developer shall also have the right to assign, without the City’s consent, Developer’s rights and interests under this Agreement to Developer’s secured lender as security and collateral in connection with Developer’s financing of the Developer Project. Such assignment to Developer’s secured lender shall not vest such lender with any greater rights than are vested in Developer by the terms of this Agreement nor shall it entitle such lender to any payment which the City is not obligated to make based upon the terms of this Agreement. Any assignment made pursuant to any provision of this Section 4.4, shall be done with at least thirty (30) days’ Notice to the City with the City required to acknowledge the same before becoming obligated to redirect any payment or payments to the assignee.

SECTION V **CITY OBLIGATIONS**

5.1. **Payment of Available Developer Property Increment.** On or before December 1st of each year starting in 2023, and for the duration of this Agreement, the City shall, in accordance with the terms and conditions of this Agreement, determine the amount of Available Developer Property Increment available to make payment to reimburse Developer for any Developer Eligible Redevelopment Project Costs which have been certified by the City. The City will issue payment of the same to Developer within forty-five (45) days thereof. The maximum

cumulative amount to be paid out by the City pursuant to this Agreement shall not exceed Nine Hundred Sixty-three Thousand Nine Hundred Sixty-two and 80/100ths Dollars (\$963,962.80) (“**Maximum TIF Amount**”).

The Maximum TIF Amount shall be increased by Eight Hundred Seventy-five Thousand Dollars (\$875,000) (“**Added Maximum TIF Amount**”), so that the total Maximum TIF Amount shall equal One Million Eight Hundred Thirty Eight Thousand Nine Hundred Sixty-two and 80/100ths Dollars (\$1,838,962.80), should Developer expand the size of the Facility to greater than 200,000 square feet and receive occupancy permits for the no less than 200,000 square feet prior to January 1, 2025. The Added Maximum TIF Amount may only be reimbursed from Available Developer Property Increment derived from tax years following the date which the Facility has been expanded to greater than 200,000 square feet and occupancy permits have been granted for more than 200,000 square feet of the Facility.

5.2. **Obligations of City.**

(a) All payment obligations on the part of the City contained in this Agreement are contingent upon and shall be payable solely from the annual receipt of Available Developer Property Increment paid into the STAF and further subject to the provisions of the Act and this Agreement.

(b) The City will have no obligation to issue any Bonds or borrow any funds.

(c) This Agreement is subject to the Required Amendments being executed prior to August 1, 2021, and the Developer Project Acquisition Contingency.

SECTION VI
COMPLIANCE WITH LAW

6.1. **Defense of Industrial Jobs Recovery Law District:** In the event that any court or governmental agency having jurisdiction over enforcement of the Act and the subject matter contemplated by this Agreement shall determine that this Agreement or payments to be made hereunder are contrary to law, or in the event that the legitimacy of the Redevelopment Project Area is otherwise challenged before a court or governmental agency having jurisdiction thereof, the City and Developer shall reasonably cooperate with each other concerning an appropriate strategy acceptable to both parties to defend the validity of the Redevelopment Project Area, and this Agreement. Furthermore, each party shall pay their respective legal fees, court costs and other expenses directly related to defense of the Redevelopment Project Area that each party shall incur as a result of defense of the Redevelopment Project Area. In the event of an adverse lower court or agency ruling, payments of Available Developer Property Increment shall be suspended during the pendency of any appeal thereof, but such payments shall be reinstated retroactively if such adverse ruling is reversed by the reviewing court or agency and to the extent that the STAF has received such Available Developer Property Increment.

6.2. **Use of Land.** Developer intends that the Developer Property shall be utilized solely in a manner consistent with the Act and as further restricted by this Agreement and the Annexation Agreements. To the extent that it should be determined by the State of Illinois or by a court of competent jurisdiction by non-appealable final order that the Developer has not met the requirements of the Act, such determination will be deemed an Event of Default hereunder such

that Developer shall not be entitled to any further distributions of Available Developer Property Increment and, to the extent required by law, any reimbursement of funds determined to have been paid to Developer in error or in violation of the Act shall be immediately due and payable from Developer to the City.

6.3. **Compliance with Law.** Neither Developer nor any of its contractors, subcontractors or material suppliers shall discriminate based upon race, color, religion, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military status, parental status or source of income in the construction of the Developer Project and shall comply with any and all federal, state and local laws, statutes, ordinances or regulations with regard to non-discrimination in the construction of the Developer Project. To the extent required by law, public works projects will be performed in accordance with prevailing wage laws.

SECTION VII **INSURANCE DURING TERM OF AGREEMENT**

7.1. Prior to commencement of construction of a portion or all of the Developer Project, the Developer shall procure, at the Developer's cost and expense, and shall maintain in full force and effect until each and every obligation of the Developer contained in this Agreement has been fully paid or performed, a policy or policies of general commercial comprehensive liability insurance and, during any period of construction, contractor's liability insurance and worker's compensation insurance, with liability coverage under each such policy to be not less than \$1,000,000 for each occurrence and including automobile insurance coverage. All such policies shall protect the Developer against any liability incidental to the use of or resulting from any claim for injury or damage occurring in or about the Developer Project or the improvements or the construction and improvement thereof and shall name the City as an additional named insured waiving any right of subrogation.

SECTION VIII **DEFAULT REMEDIES**

8.1. **Defaults/Remedies:** If, subject to Section 8.2, either party defaults under this Agreement or fails to perform or keep any term or condition required to be performed or kept by such Party, the defaulting party shall, upon written notice from the other non-defaulting party, proceed to cure or remedy such default or breach within sixty (60) days after receipt of such notice; provided, that in the event such default is non-monetary and cannot with due diligence be wholly cured within said sixty (60) day period, then the defaulting party shall not be in default so long as the defaulting party shall commence the curing thereof and thereafter proceed diligently to cure the same. In the case of an uncured City default, the Developer shall have as its sole and exclusive remedy the right of specific performance. In the event of an uncured default by Developer, the City will be under no obligation to continue any payments of Available Developer Property Increment, may terminate all pledges of Available Developer Property Increment which may have been granted by Developer, and may cancel this Agreement and/or any future payments due hereunder. The City will have the right to require specific performance or to perform any term hereof and then be entitled to indemnity for the costs thereof from Developer, subject to the notice and cure rights herein. Provided the default by Developer is cured within the time frames set forth herein, those annual payments which would have been paid, if not for Developer default, will then be paid to Developer. Notwithstanding the foregoing, no cure opportunity shall be afforded to Developer for failing to comply with the timing requirements in Section 3.1 or 5.2.

8.2. **Event of Default.** For purposes of the Agreement, the occurrence of any one or more of the following (or any other events identified elsewhere in this agreement as an Event of Default), shall constitute an “**Event of Default**”:

(a) If, at any time, any material term, warranty, representation, or statement made or furnished by the City or Developer (including the representations and warranties of Developer described in Section 2.1 hereof and of the City described in Section 2.2 hereof) is not true and correct in any material respect because of which either party is unable to fulfill its obligations hereunder; or

(b) Failure by Developer to meet any of the conditions, obligations or covenants contained in this Agreement, including but not limited to the failure of Developer to construct the Facility in the manner and within the time described in this Agreement; or

(c) If any petition is filed by or against the City or Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereinafter existing (and in the case of involuntary proceedings, failure to cause the same to be vacated, stayed or set aside within ninety (90) days after filing); or

(d) If any lender of Developer (or a lender of any affiliated entity of Developer), forecloses on any of the Developer Property or accepts a deed in lieu of foreclosure from Developer for any of the Developer Property or if any portions of the Developer Property are in any other manner surrendered to a lender; or

(e) If City fails to make payment to Developer of Available Developer Property Increment which is due under this Agreement, unless such payment is determined to be disallowed under the Act; or

(f) If Developer fails to pay any real estate tax when due; or

(g) Any assignment, pledge, encumbrance, transfer or other disposition which is prohibited under this Agreement; or

(h) If Developer fails to pay any payment which may become due pursuant to the terms of the Spring Creek Lakes Maintenance SSA dated August 14, 2017, and recorded August 25, 2017 as Document Number 20171026105 in the office of the Winnebago County Recorder.

8.3. **Waiver and Estoppel.** Any delay by the City or Developer in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive the City or Developer of or limit such rights in any way. No waiver made by the City or Developer with respect to any specific default shall be construed, considered or treated as a waiver of the rights of the City or Developer with respect to any other defaults.

SECTION IX **PERFORMANCE**

9.1. **Time of the Essence.** Time is of the essence of the Agreement.

9.2. **Permitted Delays**. Neither the City nor Developer shall be considered in breach of its obligations with respect to the commencement and completion of the Developer Project or provision of tax increment financing, because of the impossibility of performance or the limitations of Illinois law, or in the event of delay in the performance of such obligations due to unforeseeable causes beyond such party's control and without such party's fault or negligence, including any delays or due to court order, acts of God, acts of the public enemy, acts of the United States, acts of the other party, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, embargoes, economic exigencies, shortages of labor or materials and severe weather or delays of subcontractors due to such causes or any other situation recognized as a force majeure ("**Permitted Delays**"). Subject to the limitations and restrictions of the Act, the time for the performance of the obligations shall be extended for the period of the enforced delay if the City or Developer, as the case may be, seeking the extension shall notify in writing the other within twenty (20) days after becoming actually aware of any such delay and shall use diligence in attempting to complete performance of its obligations.

SECTION X **GENERAL**

10.1. **Drafter Bias**: The parties acknowledge and agree that the terms of this Agreement are the result of on-going and extensive negotiations between the parties, both of whom are represented by independent counsel, and that this Agreement is a result of said negotiations. As a result, in the event that a court is asked to interpret any portion of this contract, neither of the parties shall be deemed the drafter hereof and neither shall be given benefit of such presumption that may be set out by law.

10.2. **Partnership not intended nor Created**: Nothing in this Agreement is intended to, nor shall be deemed to, constitute a partnership or joint venture between the parties.

10.3. **Entirety and Binding Effect**: This document represents the entirety of the agreement between the parties and shall be binding upon them and inure to the benefit of and be enforceable by and against their respective successors, personal representatives, heirs, legatees, and assigns.

10.4. **Survival of Provisions**: If any of the provisions of this agreement are found to be invalid pursuant to any statute or rule of law of the State of Illinois or of any court of competent jurisdiction in which it may be so brought to be enforced, then such provisions shall be deemed null and void to the extent that they may conflict herewith, however the remainder of this instrument and any other application of such provision shall not be affected thereby.

10.5. **Use of Headings**: The headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to, and shall not be deemed to, define, limit or extend the scope or intent of the clauses to which they pertain.

10.6. **Amendments and Modifications**: Except as otherwise provided for herein, this Agreement may not be amended, modified, or terminated, nor may any obligation hereunder be waived orally, and no such amendment, modification, termination, or waiver shall be effective for any purpose unless it is in writing, and bears the signatures of all of the parties hereto.

10.7. **Defaults:** In the event of a default and/or litigation arising out of enforcement of this Agreement, the parties hereto acknowledge and agree that each party shall be responsible for their own costs, charges, expenses, and their reasonable attorney's fees arising as a result thereof.

10.8. **Indemnification:** Developer agrees to indemnify and hold the City and its officers, elected and appointed, employees, agents, and attorneys harmless from and against any and all loss, damage, cost, expense, injury, or liability the City may suffer or incur in connection with any uncured Event of Default under the terms and conditions of this Agreement. Developer further agrees to defend, indemnify, and hold harmless City for any liability arising out of the Developer Project other than that resulting solely from a willful or negligent act of the City. Notwithstanding anything contained within this Agreement to the contrary, in no event shall either party be liable for special, punitive, or consequential damages.

10.9. **Intentionally Omitted.**

10.10. **Notices:** All Notices and requests pursuant to this Agreement shall be sent as follows:

To the Developer:

Loves Park One, LLC
Attn: Legal
1450 McMahan Drive
Neenah, WI 54956

With Developer copy to:

Hinshaw and Culbertson
100 Park Avenue, P.O. Box 1389
Rockford, IL 61101
Attn: Carol Lockwood

To the City:

City of Loves Park
Attn: Mayor
100 Heart Boulevard
Loves Park, IL 61111

With City copy to:

Gino Galluzzo
Allen Galluzzo Hevrin Leake, LLC
6735 Vistagreen Way, Suite 110
Rockford, IL 61107

Or at such other addresses as the Parties may indicate in writing to the other either by personal delivery, courier, nationally recognized delivery service (i.e. Fed Ex) or by certified 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 effective when delivered.

10.11. **Counterparts:** This Agreement may be signed in any number of counterparts, each of which shall be an original, with the main effect as if the signatures thereto and hereto were upon the same instrument.

10.12. **Previous Agreements:** The foregoing is the agreement between the Parties hereto as it now exists at the execution hereof and it is expressly understood, agreed, and distinctly acknowledged that all previous communications and negotiation between the Parties, either written or oral, that are not contained herein are hereby withdrawn, nullified, and void.

10.13. **Construction:** This Agreement shall be subject to and construed under the laws of the State of Illinois

10.14. **Venue:** The exclusive venue of any action involving this Agreement between the parties shall be the Circuit Court for the 17th Judicial Circuit, Winnebago County, Illinois.

10.15. **Local Labor Preference:** Developer agrees that contractors based in Winnebago County, Illinois shall be preferred for all construction work performed on site at the Developer Property if their pricing is competitive, as reasonably determined by Developer and which can be reasonably demonstrated to the City. Contractors performing work at the Developer Property shall participate in apprenticeship and training programs applicable to the work to be performed on the project which are approved by and registered with the United States Department of Labor's Office of Apprenticeship, or its successor organization. Notwithstanding the foregoing, installers retained through the sellers of equipment need not participate in apprenticeship and training programs if the cost of installation is less than \$60,000 per vendor. Developer shall provide reasonable documentation to demonstrate compliance with this paragraph. The Director of Community Development & Public Works ("Director") shall have the authority to waive the requirement that contractors whose cost is less than \$60,000 participate in apprenticeship and training programs if he determines local contractors are not available to timely perform the work for Developer. Any waiver by the Director shall be in writing.

10.16. **July Trial Waiver:** EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL CONSIDERATION AND INDUCEMENT TO THE EXECUTION OF THIS AGREEMENT AND CONSTITUTES A KNOWING AND VOLUNTARY WAIVER.

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SIGNATURE PAGE

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE VOLUNTARILY SET THEIR HANDS AND SEALS ON THIS AGREEMENT, AND BY DOING SO HAVE ACKNOWLEDGED THAT THEY HAVE READ THE FOREGOING INSTRUMENT IN ITS ENTIRETY AND ACKNOWLEDGE THAT THE SAME IS A LEGALLY BINDING AGREEMENT, AND THAT THEY HAVE CONSCIOUSLY EXECUTED THE SAME AS THEIR OWN FREE AND VOLUNTARY ACT AND DO HEREBY SUBMIT TO AND ACKNOWLEDGE THE TERMS AND CONDITIONS HEREIN.

**LOVES PARK ONE LLC,
an Illinois Limited Liability Company**

By: WOW Logistics Company,
A Wisconsin Company, its Manager

By _____
Howard Kamerer, President and CEO

**City of Loves Park,
an Illinois Municipal Corporation**

By: _____
Gregory R. Jury, Mayor

ATTEST

By: _____
Robert Burden, City Clerk

EXHIBIT A

This legal description to be replaced with legal description of property sold to Loves Park One, LLC once the plat creating the lot is recorded.

LEGAL DESCRIPTION OF DEVELOPER PROPERTY

Lot fifteen (15) as designated upon Plat No. 4 of the Business Park at Spring Creek Lakes, being a resubdivision of Lot 8 of Plat No. 1 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast Quarter (1/4) of section 35 and part of the Southwest Quarter (1/4) of section 36, Township 45 North, Range 2 East of the Third Principal Meridian, and part of the Northwest Quarter (1/4) of section 1 and part of the Northeast Quarter (1/4) of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and also being a resubdivision of Lot 14 of Plat 3 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast Quarter of section 35 and part of the Southwest Quarter of section 36, Township 45 North, Range 2 East of the Third Principal Meridian and part of the Northwest Quarter of section 1 and part of the Northeast Quarter of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and a resubdivision of Lot 10 of Plat 2 of the Business Park at Spring Creek Lakes, being a resubdivision of Lots 5 and 6 of Plat 1 of the Business Park at Spring Creek Lakes, and being a resubdivision of Lots 2, 3 and 7 of said Plat 1 of the Business Park at Spring Creek Lakes, all being a part of the Southwest Quarter (1/4) of section 36, Township 45 North, Range 3 East of the Third Principal Meridian, Winnebago county, Illinois; the Plat of which subdivision is recorded July _____, 2021 in book _____ of Plats on page _____ as document No. _____ in the recorder's office of Winnebago county, Illinois; situated in the county of Winnebago and the state of Illinois.

EXHIBIT B

ARCHITECTURAL DESIGN CRITERIA

Overall Character

The buildings throughout Developer Property will be a tasteful mixture of traditional and contemporary forms and elements. The entry of each building will be signaled in mass and form, while the remaining extents of the buildings vary in composition and/or massing so as not to be repetitive. Each building will have at least one signature, architectural massing element that sets it apart from the rest and identifies it better than signage can alone. These forms very often signal the entry, although they do not need to.

Materials

As a high-quality development that is built for the future, buildings located on the Developer Property will employ materials with a consideration to the sense of quality they invoke, their historic usage, and longevity. The colors used by buildings reinforce the goal to foster a warm and inviting atmosphere. A building's primary color will predominantly be warm tones common to the earth, stone, prairie, and forest. Contrasting, bold, and saturated colors are acceptable as accents but should not be a dominant color.

Buildings may vary greatly in the materials they employ, but do not use those that invoke images not in keeping with a high quality, timeless, professional environment. The buildings throughout the Developer Property shall adhere to the following:

1. Roof System:
 - a. The roof system shall have a parapet around the entire perimeter of the building for the purpose of concealing from ground view, while at the same grade level, the membrane or metal panel roof system.
 - b. No visible gable roof systems allowed.
 - c. No exposed gutters allowed.
 - d. Interior or exterior roof drainage system utilizing scuppers will be allowed.

2. Exterior Wall System Finish and Facade System Finish Material:
 - a. The following are not allowed building materials unless the City approves the architectural design of the building, in its sole discretion:
 - i. Metal panel systems which exceed fifty percent (50%) of any wall area, excluding windows, doors, and other openings; or
 - ii. Corrugated metals; or
 - iii. EIFS; or
 - iv. Wood materials; or
 - v. Flat CMU units; or
 - vi. Wood or hardy plank; or

- vii. Vinyl or Plastic; or
- viii. Exposed Concrete / Cinder Block (without rustication); or
- ix. Asphalt shingle

This exhibit shall not waive any of the development or design guidelines referenced in the Annexation Agreements of record relating to the Developer Property but shall act to further restrict the same. The requirements of this Exhibit may be waived by written express intent referencing waiver of specific requirements of this exhibit by the Mayor or Community Development Director.

ORDINANCE NO. _____

**AN ORDINANCE AUTHORIZING THE CITY TO ENTER INTO THE FIFTH
AMENDMENT TO THE REDEVELOPMENT AGREEMENT FOR SCL BUSINESS PARK,
LLC DATED NOVEMBER 6, 2014**

WHEREAS, the City of Loves Park (“City”) is a duly organized and existing municipality created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, as supplemented and amended from time to time; and

WHEREAS, the City has duly established an Industrial Jobs Recovery Law District known and the “Spring Creek Lakes Redevelopment Project Area” under the provisions of the Industrial Jobs Recovery Law, 65 ILCS 5/11-74.6-1 *et seq.* (“Law”), within which Spring Creek Lakes Redevelopment Project Area the City has implemented Tax Increment Financing; and

WHEREAS, the City is authorized under the provisions of Law to enter into agreements which are necessary or incidental to the implementation of the redevelopment plan and project for the Spring Creek Lakes Redevelopment Project Area; and

WHEREAS, the City and SCL Business Park, LLC, an Illinois limited liability company (“Developer”) did enter into that certain Redevelopment Agreement for SCL Business Park, LLC, dated November 6, 2014 (the “Original Agreement”) and that certain First Amendment to the Redevelopment Agreement for SCL Business Park, LLC, dated September 1, 2015 (the “First Amendment”) and that certain Second Amendment to the Redevelopment Agreement for SCL Business Park LLC, dated May 15, 2017 (the “Second Amendment”), and that certain Third Amendment to the Redevelopment Agreement for SCL Business Park LLC, dated April 8, 2019 (“Third Amendment”) and that certain Fourth Amendment to the Redevelopment Agreement dated May 22, 2019 (the “Fourth Amendment”); and

WHEREAS, the Original Agreement provides for, among other things, the allocation and payment of Available Developer Property Increment to Developer; and

WHEREAS, the Original Agreement allows Developer to assign certain of its rights to receive Available Developer Property Increment thereunder in accordance with certain conditions; and

WHEREAS, the Original Agreement specifically provides that in the event of a sale of any of the Developer property to a third-party, the Developer shall be allowed to assign to said purchaser all future increment associated with the property purchased by said third-party, provided the City should not be required to prorate any calendar year between the assignor and the assignee, and further that any assignment approved shall be subject to the conditions and restrictions relating to payment as set forth in the Original Agreement; and

WHEREAS, Developer is negotiating a Purchase and Sale Agreement for sale and transfer of a parcel of real property in the Spring Creek Lakes Redevelopment Project Area, identified in the legal description provided in Exhibit “A” (“Property”); and

WHEREAS, in connection with the Developer’s prospective sale of the Property, Developer desires to assign certain of its rights under the Original Agreement; and

WHEREAS, the City and the Developer now desire to amend the Original Agreement, First Amendment, Second Amendment, Third Amendment and Fourth Amendment as provided herein to allow for Developer's assignment of certain of its rights; and

WHEREAS, The City has determined that the execution of an amendment to the Original Agreement and the First Amendment, Second Amendment, Third Amendment and Fourth Amendment is in the best interests of the City.

NOW THEREFORE, BE IT ORDAINED BY THE MAYOR AND THE CITY COUNCIL OF THE CITY OF LOVES PARK, COUNTY OF WINNEBAGO AND COUNTY OF BOONE, ILLINOIS, AS FOLLOWS:

1. The above recitals are incorporated herein and made a part hereof.
2. The City hereby approves the execution of that Fifth Amendment to the Redevelopment Agreement by and between the City and Developer in substantially the same form as attached hereto as Exhibit "B" ("Fifth Amendment").
3. The Mayor is hereby authorized to sign the Fifth Amendment as well as any other necessary documentation required to finalize the Fifth Amendment.
4. This ordinance shall become effective upon its passage, approval and publication as provided by law.

PASSED by the City Council of the City of Loves Park this ____ day of July 2021.

APPROVED:

Mayor Gregory R. Jury

ATTEST:

City Clerk Robert Burden

PUBLISHED:

EXHIBIT "A"
Legal Description

This legal description to be replaced with legal description of property sold to Loves Park One, LLC once the plat creating the lot is recorded.

Lot fifteen (15) as designated upon Plat No. 4 of the Business Park at Spring Creek Lakes, being a resubdivision of Lot 8 of Plat No. 1 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast Quarter (1/4) of section 35 and part of the Southwest Quarter (1/4) of section 36, Township 45 North, Range 2 East of the Third Principal Meridian, and part of the Northwest Quarter (1/4) of section 1 and part of the Northeast Quarter (1/4) of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and also being a resubdivision of Lot 14 of Plat 3 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast Quarter of section 35 and part of the Southwest Quarter of section 36, Township 45 North, Range 2 East of the Third Principal Meridian and part of the Northwest Quarter of section 1 and part of the Northeast Quarter of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and a resubdivision of Lot 10 of Plat 2 of the Business Park at Spring Creek Lakes, being a resubdivision of Lots 5 and 6 of Plat 1 of the Business Park at Spring Creek Lakes, and being a resubdivision of Lots 2, 3 and 7 of said Plat 1 of the Business Park at Spring Creek Lakes, all being a part of the Southwest Quarter (1/4) of section 36, Township 45 North, Range 3 East of the Third Principal Meridian, Winnebago county, Illinois; the Plat of which subdivision is recorded July _____, 2021 in book _____ of Plats on page _____ as document No. _____ in the recorder's office of Winnebago county, Illinois; situated in the county of Winnebago and the state of Illinois.

EXHIBIT "B"
Fifth Amendment

**FIFTH AMENDMENT TO THE REDEVELOPMENT AGREEMENT FOR
SCL BUSINESS PARK, LLC**

This Fifth Amendment to the Redevelopment Agreement for SCL Business Park, LLC (“**Fifth Amendment**”), dated as of this ___ of July 2021, is made by and between the City of Loves Park, an Illinois municipal corporation, having its offices at 100 Heart Blvd., Loves Park, Illinois (“**City**”) and SCL Business Park, LLC, an Illinois limited liability company, having its principal office at 330 Spring Creek Road, Rockford, Illinois 61107 (“**Developer**”). The City and Developer are referred to herein individually as a “**Party**” and collectively as the “**Parties**” as the context may require.

RECITALS

WHEREAS, the City and Developer entered into that certain Redevelopment Agreement for SCL Business Park, LLC, dated November 6, 2014 (the “**Original Agreement**”); and

WHEREAS, the City and Developer entered into that certain First Amendment to the Redevelopment Agreement for SCL Business Park, LLC, dated September 1, 2015 (the “**First Amendment**”), a Second Amendment to the Redevelopment Agreement dated May 15, 2017 (the “**Second Amendment**”), a Third Amendment to the Redevelopment Agreement dated April 8, 2019 (the “**Third Amendment**”), and a Fourth Amendment to the Redevelopment Agreement dated May 22, 2019 (the “**Fourth Amendment**”); and

WHEREAS, the Original Agreement provides for, among other things, the allocation and payment of Available Developer Property Increment to Developer; and

WHEREAS, the Original Agreement allows Developer to assign certain of its rights to receive Available Developer Property Increment thereunder in accordance with certain conditions; and

WHEREAS, Section 4.5 of the Original Agreement specifically provides that in the event of a sale of any of the Developer Property to a third-party, the Developer shall be allowed to assign to said purchaser all future increment associated with the property purchased by said third-party, provided the City should not be required to prorate any calendar year between the assignor and the assignee, and further that any assignment approved under Section 4.5 shall be subject to the conditions and restrictions relating to payment as set forth in the Original Agreement; and

WHEREAS, Developer intends to sell the real property legally described in Exhibit “A” (“**Loves Park One Property**”) to be utilized for the minimum construction of an 110,000 square foot building with the ability to expand the building to over 200,000 square feet; and

WHEREAS, in connection with the sale of the Loves Park One Property, Developer desires to assign certain rights.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Fifth Amendment and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the City and Developer agree as follows:

**SECTION I
INCORPORATION OF RECITALS**

The Recitals set forth above are an integral part of this Fifth Amendment and by this reference are incorporated in this Section I.

SECTION II
AMENDMENTS TO EXISTING AGREEMENT

2.1 All capitalized terms used herein shall have the meaning ascribed to them in the Original Agreement, as modified by the First Amendment, Second Amendment, Third Amendment and Fourth Amendment.

2.2 Section 4.9 is created to the Original Agreement is hereby created to read as follows:

4.9 **Assignment of Rights to Loves Park One, LLC**: Pursuant to authority granted Developer in Section 4.5 hereof, Developer hereby irrevocably assigns to Loves Park One, LLC, an Illinois limited liability company, or its assignee (“**Fourth Buyer/Fourth Assignee**”), and Fourth Buyer/Fourth Assignee hereby accepts, Developer’s right to receive all Available Developer Property Increment attributable to the Loves Park One Property as specifically set forth to be paid to Fourth Buyer/Fourth Assignee in the Redevelopment Agreement between the City and Fourth Buyer/Fourth Assignee dated July _____, 2021 (“**Loves Park One RDA**”), an unsigned copy of which is attached hereto as Exhibit “B” (“**Assigned Interest**”). This assignment is expressly contingent upon, and shall not be effective unless, Developer transfers title of the Loves Park One Property to a third party prior to October 1, 2021.

SECTION III
TIF REIMBURSEMENT

3.1 **Maximum TIF Amount Adjustment**. In addition to the reduction in the Maximum TIF Amount referenced in the Second Amendment of \$826,960.00 and the reduction in the Maximum TIF Amount referenced in the Third Amendment of \$4,343,364.00, and the reduction in the Maximum TIF Amount referenced in the Fourth Amendment of \$815,730.00, the Maximum TIF Amount shall be reduced by an additional amount of up to \$1,838,962.90 herein. As a result of those reductions to the Maximum TIF Amount referenced in the Second Amendment, Third Amendment, Fourth Amendment and this Fifth Amendment, the Maximum TIF Amount is reduced to \$10,174,983.20 and said amount is allocated to paragraphs numbered 1-4 in Exhibit C of the Original Agreement shall be adjusted as follows:

- (a) The amount in paragraph 1 shall equal \$750,000;
- (b) The amount in paragraph 2 shall equal \$3,500,000;
- (c) The amount in paragraph 3 shall equal \$2,003,237;
- (d) The amount in paragraph 4 shall equal \$3,921,746.

The Maximum TIF amount of \$10,174,983.20 includes the increase of \$2,000,000 as a result of Orth Road improvements having been completed by Developer as provided for in paragraph 5.7 of the Original Agreement. The Maximum TIF Amount is not indicative of the amount due to or available to Developer as of the date of this Fifth Amendment since all amounts paid to Developer pursuant to the Original Agreement and its subsequent amendments are applied towards the Maximum TIF Amount.

With regard to the Loves Park One RDA, if the Maximum TIF Amount is not increased by the Added Maximum TIF Amount prior to January 1, 2025, as those terms are defined and referenced in the Loves Park One RDA, then the Maximum TIF Amount referenced in paragraph 3.1 of this Fifth Amendment

shall be increased by \$875,000 from \$10,174,983.20 to \$11,049,983.20 with said increased amount of \$875,000 being allocated to paragraph 3 of Exhibit C of the Original Agreement.

SECTION IV
GENERAL

4.1 **Binding Effect.** The Original Agreement, as amended by this Fifth Amendment, shall continue in full force and effect, subject to the terms and provisions thereof and hereof. In the event of any conflict between the terms of the Original Agreement, the First Amendment, Second Amendment, Third Amendment or Fourth Amendment, the terms of this Fifth Amendment shall control. This Fifth Amendment shall be binding upon and inure to the benefit of the City, Developer and their respective successors and permitted assigns.

4.2 **Counterparts.** This Fifth Amendment may be signed in any number of counterparts, each of which shall be an original, with the main effect as if the signatures thereto and hereto were upon the same instrument.

4.3 **Effective Date.** This Fifth Amendment shall be effective as of the Effective Date.

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE VOLUNTARILY SET THEIR HANDS AND SEALS ON THIS FIFTH AMENDMENT, AND BY DOING SO HAVE ACKNOWLEDGED THAT THEY HAVE READ THE FOREGOING INSTRUMENT IN ITS ENTIRETY AND ACKNOWLEDGE THAT THE SAME IS A LEGALLY BINDING AGREEMENT, AND THAT THEY HAVE CONSCIOUSLY EXECUTED THE SAME AS THEIR OWN FREE AND VOLUNTARY ACT AND DO HEREBY SUBMIT TO AND ACKNOWLEDGE THE TERMS AND CONDITIONS HEREIN.

SCL Business Park, LLC, an Illinois limited liability company

By: Anderson Land Holdings, LLC, Its Manager

By: _____

David J. Anderson, Manager of Anderson Land Holdings LLC

City of Loves Park, an Illinois Municipal Corporation

Gregory R. Jury, Mayor

ATTEST:

Bob Burden, City Clerk

EXHIBIT “A”

This legal description to be replaced with legal description of property sold to Loves Park One, LLC once the plat creating the lot is recorded.

LEGAL DESCRIPTION OF DEVELOPER PROPERTY

Lot fifteen (15) as designated upon Plat No. 4 of the Business Park at Spring Creek Lakes, being a resubdivision of Lot 8 of Plat No. 1 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast Quarter (1/4) of section 35 and part of the Southwest Quarter (1/4) of section 36, Township 45 North, Range 2 East of the Third Principal Meridian, and part of the Northwest Quarter (1/4) of section 1 and part of the Northeast Quarter (1/4) of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and also being a resubdivision of Lot 14 of Plat 3 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast Quarter of section 35 and part of the Southwest Quarter of section 36, Township 45 North, Range 2 East of the Third Principal Meridian and part of the Northwest Quarter of section 1 and part of the Northeast Quarter of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and a resubdivision of Lot 10 of Plat 2 of the Business Park at Spring Creek Lakes, being a resubdivision of Lots 5 and 6 of Plat 1 of the Business Park at Spring Creek Lakes, and being a resubdivision of Lots 2, 3 and 7 of said Plat 1 of the Business Park at Spring Creek Lakes, all being a part of the Southwest Quarter (1/4) of section 36, Township 45 North, Range 3 East of the Third Principal Meridian, Winnebago county, Illinois; the Plat of which subdivision is recorded July _____, 2021 in book _____ of Plats on page _____ as document No. _____ in the recorder's office of Winnebago county, Illinois; situated in the county of Winnebago and the state of Illinois.

EXHIBIT “B”

Loves Park One RDA

REDEVELOPMENT AGREEMENT FOR
LOVES PARK ONE LLC

This Redevelopment Agreement (“**Agreement**”) dated as of this ___ day of July, 2021 is made by and between the City of Loves Park, Illinois, an Illinois Municipal Corporation, having its principal offices at 100 Heart Boulevard, Loves Park, Illinois (“**City**”) and Loves Park One, LLC, an Illinois Limited Liability Company having its principal office at 1450 McMahan Drive, Neenah, Wisconsin, 54956 (“**Developer**”). All capitalized terms are defined herein or otherwise have such definitions as are set forth in the Industrial Job Recovery Law, 65 ILCS 5/11-74.6-1 *et seq. as amended*, (the “**Act**”).

RECITALS

WHEREAS, the City is a duly organized and existing municipal corporation created under the provisions of the laws of the State of Illinois and is now operating under the provisions of the Illinois Municipal Code, as supplemented and amended from time to time; and

WHEREAS, pursuant to the Act, the City, by Ordinance Nos. 3770-11, 3771-11 and 3772-11, adopted by the City Council on November 28, 2011, approved a Redevelopment Plan and Project (“**Redevelopment Plan**”), designated a redevelopment project area specifically designated as the “**Spring Creek Lakes Redevelopment Project Area**” (“**Redevelopment Project Area**”), and adopted tax increment allocation financing (“**TIF**”) within the Redevelopment Project Area; and

WHEREAS, the City is authorized under the Act to undertake the redevelopment of the Redevelopment Project Area if the conditions specified in the Act are met, including but not limited to, the approval of redevelopment plans and projects, and the payment of costs of such redevelopment as are permitted under the Act; and

WHEREAS, the Developer is under contract and intends to acquire certain real property located within the Redevelopment Project Area which is legally described and depicted in “**Exhibit A**” attached hereto and made a part hereof (“**Developer Property**”); and

WHEREAS, the Developer intends to undertake the construction of a building on the Developer Property of no less than 110,000 square feet, to be utilized for manufacturing, distribution or other purposes which are in compliance with the Act (“**Developer Project**”) with adequate real property to increase the building size to 200,000 square feet; and

WHEREAS, the City recognizes that the Developer will need to incur eligible “**Redevelopment Project Costs**”, as that term defined in the Act, by acquiring and developing the Developer Property and the City is willing to reimburse Developer for some of the same; and

WHEREAS, Available Developer Property Increment (as defined below) is currently pledged for the benefit of SCL Business Park, LLC, an Illinois Limited Liability Company (“**SCL**”); and

WHEREAS, the City’s obligations herein will be conditioned upon SCL executing an amendment to the Redevelopment Agreement entered into by the City and SCL on November 6,

2014, which will allow the Available Developer Property Increment to be paid to Developer (“**Required Amendments**”); and

WHEREAS, the City desires to enter into this Agreement with the Developer to provide the Developer with TIF assistance in order to defray certain Redevelopment Project Costs relating to the Developer Project; and

WHEREAS, the Developer Property is and shall remain subject to the terms and conditions of those “Annexation Agreements” recorded against the Developer Property, as amended from time to time in accordance with applicable law and approved by Developer in writing; and

WHEREAS, the City, after due and careful consideration, has concluded that the development of the Developer Property and the utilization of TIF assistance, will further the growth of the City, facilitate the development of the Redevelopment Project Area, increase the assessed valuation of real estate situated within the Redevelopment Project Area, increase the economic activity within the City as a whole, provide a substantial number of jobs to residents of the City and otherwise be in the best interests of the City.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and Developer agree as follows:

SECTION I **INCORPORATION OF RECITALS**

The Recitals set forth above are an integral part of this Agreement and by this reference are incorporated in this Section I.

SECTION II **REPRESENTATIONS AND WARRANTIES**

2.1. **Representations and Warranties of Developer**. To induce the City to execute this Agreement and perform the obligations of the City hereunder, Developer hereby represents and warrants to the City as follows:

(a) Developer is a duly organized and existing limited liability company in good standing under the laws of the State of Illinois authorized to do business in Illinois;

(b) No litigation or proceedings are pending, or to the Developer’s actual knowledge, are threatened against Developer, which could: (i) affect the ability of Developer to perform its obligations pursuant to and as contemplated by the terms and provisions of this Agreement; or (ii) materially affect the operation or financial condition of Developer;

(c) To the Developer’s actual knowledge, the execution, delivery and performance by Developer of this Agreement does not constitute, and will not, upon giving of notice or lapse of time, or both, constitute a breach or default or “event of default” under any other agreement to which Developer is a party to or by which it may be bound;

(d) The parties executing this Agreement on behalf of Developer have been duly authorized by all appropriate action to enter into, execute, and deliver this Agreement and perform the terms and obligations contained herein;

(e) Developer is under contract to acquire the fee simple legal title of the Developer Property;

(f) Developer agrees to pay all costs associated with the acquisition of land, development, financing, leasing, construction, and maintenance of the Developer Project (the “**Developer Obligations**”), as contemplated by this Agreement, and to indemnify and hold the City harmless from any liability for such costs; and

(g) The above representations and warranties are made in addition to all other representations and warranties made throughout this Agreement.

2.2. **Representations and Warranties of the City**. To induce the Developer to execute this Agreement and to perform the Developer’s obligations hereunder, the City hereby represents, warrants, and covenants to the Developer as follows:

(a) The City is an Illinois municipal corporation duly incorporated and existing under the laws of the State of Illinois, and is authorized to and has the power to enter into, and by proper action has been duly authorized to execute, deliver and perform this Agreement;

(b) Subject to the City obtaining the Required Amendments, neither the execution and delivery of this Agreement by the City, the consummation of the transactions contemplated hereby by the City, nor the fulfillment of or compliance with the terms and conditions of this Agreement by the City conflicts with or will result in a breach of any of the terms, conditions or provisions of any offerings or disclosure statement made or to be made on behalf of the City or any other agreement to which the City is a party;

(c) Subject to the City obtaining the Required Amendments, the City has, to the best of its actual knowledge, complied with the Act in all manners necessary to provide the TIF for the benefit of Developer, and the Developer Project, as contemplated by this Agreement;

(d) The Developer Project, as represented by Developer, is in furtherance of the objectives of the Redevelopment Plan in accordance with the Act; and,

(e) The Redevelopment Project Costs are eligible for reimbursement from Available Developer Property Increment, to the extent available and up to the Maximum TIF Amount (defined in Section 5.1), as Developer Eligible Redevelopment Project Costs (as defined below) under the Act, subject to the satisfaction of the terms of Section 3.3 herein.

2.3. **Survival of Representations and Warranties**. The parties agree that, to the best of their respective knowledge, all of their representations and warranties set forth in this Agreement are true as of the execution date of this Agreement and shall survive for the term of this Agreement.

SECTION III
DEVELOPER OBLIGATIONS

3.1. **Acquisition of Property & Construction of Facility.** Subject to the Developer Project Acquisition Contingency (as defined below), Developer shall acquire title to the Developer Property and complete construction of a new building (the “**Facility**”) of no less than 110,000 square feet to be utilized primarily for manufacturing, industrial, warehousing or distribution purposes, with an occupancy permit for said space to be obtained no later than July 1, 2022, subject to any Permitted Delays. The exterior walls of the Facility will be constructed of pre-cast concrete (except for the expansion wall which will be constructed of IMP). All construction shall comply with all federal, state, and local regulations, codes, ordinances and laws of general applicability (all as amended from time-to-time), as well as meet or exceed the **Design Criteria** attached hereto as **Exhibit “B”** and comply with other agreements of record, including but not limited to the valid and enforceable Annexation Agreements (collectively, the “**Legal Requirements**”). Any construction must be subject to the City’s Ordinance required review and approval process for other development and construction projects occurring throughout the City. Notwithstanding anything contained within this Agreement to the contrary, in the event Developer, for any reason, has failed to obtain title to the Developer Property on or before October 1, 2021 and if an occupancy permit for at least 110,000 square feet is not issued for the Facility prior to July 1, 2022 subject to any Permitted Delays, then this Agreement, and all its terms and conditions, shall automatically terminate as of such date and neither party shall have any further obligation or liability hereunder (the “**Developer Project Acquisition Contingency**”).

3.2. **Responsibility for Developer Obligations.** The Developer shall remain ultimately responsible for Developer Obligations and does hereby agree to indemnify and hold the City harmless from any costs or liability it may incur in connection with the same. The City shall have no obligation to perform or pay for any portion of the Developer Obligations.

3.3. **Eligible Redevelopment Project Costs.** “**Developer Eligible Redevelopment Project Costs**” are those Redevelopment Project Costs incurred and paid by Developer which the Developer shall be reimbursed from Available Developer Property Increment (defined in Section 4.3), to the extent available and up to the Maximum TIF Amount. Developer Eligible Redevelopment Costs will be limited to those Redevelopment Project Costs as allowed by the Act which may include but not be limited to the acquisition of the Developer Property, broker commission, utility installation, costs of surveys, engineering planning and design, architectural planning and design, geotechnical reports, environmental reports, site preparation costs and costs of marketing.

3.4. **Utilization.** The Developer Property shall at all times be utilized in a manner consistent with manufacturing, industrial, warehousing or distribution purposes as well as other permissible uses identified in or allowed by the Act and the Redevelopment Plan, provided the same complies with the Legal Requirements.

3.5. **Plans and specifications.** All site, architectural and engineering drawings and specifications (the “**Plans**”) for the Developer Property, inclusive of the Plans for the building(s) to be erected on the Developer Property, shall be submitted to the City by Developer at its sole cost and expense and shall be reviewed and processed by the City or its agents pursuant to the City’s municipal ordinances, as amended from time-to-time (the “**City Ordinances**”), and as set forth below. Such Plans shall conform to the Legal Requirements.

3.6. **City's Right to Monitor and Inspect Developer Property.** The City's right to inspect the Developer Property, and the construction of improvements or operation of businesses located thereon, shall be conducted in accordance with the City Ordinances.

3.7. **Real Estate Taxes.** To the extent required by law, Developer shall pay all real estate tax bills, inclusive of any special assessments and special service area taxes levied upon the Developer Property, on or before the date on which they are due and payable. The payment of such sums in a timely fashion is a condition precedent to receipt by Developer of any reimbursements described in this Agreement, subject to the terms and conditions of Section 8.1 below.

SECTION IV **TAX INCREMENT FINANCING**

4.1. **Tax Increment Allocation Financing of Redevelopment Project Costs.** Developer has represented to the City that, but for tax increment financing, the Developer Project would not be economically viable. The Parties agree that tax increment allocation financing, implemented in accordance with the terms and provisions of the Act and this Agreement, will be a source of providing partial funding for the Developer Project to make the Developer Project economically viable within the City.

4.2. **Authenticating the Developer Eligible Redevelopment Project Costs.** Prior to the City's certification of costs as Developer Eligible Redevelopment Project Costs in accordance with this Agreement, and to establish a right of reimbursement for specific Developer Eligible Redevelopment Project Costs under this Agreement, Developer shall submit to the City or its designee a written statement setting forth the amount of specific Developer Eligible Redevelopment Project Costs for which certification is sought (each a "**Request for Certification**"). Such Request for Certification shall be accompanied, if applicable, by a signed real estate settlement closing statement, real estate transfer declaration statement, copy of the deed containing evidence of recording the Winnebago County Recorder's Office transferring title to Developer and such other evidence as the City or its designee shall reasonably require evidencing that Developer has incurred and paid the Developer Eligible Redevelopment Project Costs sought to be certified. If a Request for Certification is deficient, the City shall notify the Developer of the specific deficiencies in writing and the Developer shall have the opportunity to cure such deficiency. Upon the Developer's delivery of reasonably sufficient evidence the City shall certify such costs in accordance with this Agreement.

4.3. **Available Tax Increment and Priority of Payment.** For the purposes of this Agreement, the term "**Developer Property Increment**" means one hundred percent (100%) of that portion of the ad valorem taxes if any, arising from the taxes levied upon the Developer Property upon which a building is constructed and an occupancy permit granted thereto (which may initially be temporary), which taxes are actually collected and which are attributable to the increases in the then current equalized assessed valuation ("**EAV**") of the Developer Property over and above the total initial EAV of the Developer Property as determined by the Winnebago County Clerk pursuant to the Act, and further in accordance with this Agreement, and which includes any replacement, substitute or amended taxes. For the purposes of this Agreement, "**Available Developer Property Increment**" means Eighty percent (80%) of the Developer Property Increment deposited into the Special Tax Allocation Fund attributable to the Developer Property which is attributable to tax year 2022 and subsequent tax years. The parties to this Agreement

acknowledge that any Developer Property Increment attributable to a specific tax year is billed in the following calendar year by the Winnebago County Treasurer. For example, Developer Property Increment attributable to tax year 2022 is billed, and payment due, in calendar year 2023 by the Winnebago County Treasurer. “**Special Tax Allocation Fund**” (“**STAF**”) means the separate City account into which the Developer Property Increment and other incremental taxes generated within the Redevelopment Project Area are, from time to time, deposited.

4.4. **Restrictions on Assignment.** Developer shall not assign any of its rights or obligations under this Agreement without the express prior written consent of the City, which consent shall not be unreasonably withheld, conditioned, or delayed and for which the City may require the assignee to assume certain obligations of this Agreement. Notwithstanding the foregoing, Developer shall have the right to assign, without the City’s consent, this Agreement at any time to: (a) any corporation, partnership or other business entity controlled by Developer or by the majority of the members or officers thereof; or (b) to any land trust of which Developer or other business entity controlled by Developer or the majority of the members or officers thereof is the beneficiary and also retains the power of direction over the trustee of the land trust. Any assignment by Developer shall relieve it of any and all of its executory obligations and duties under this Agreement that are delegated to and assumed by the assignee, and the City hereby waives any right it may have by law, under the terms of this Agreement or otherwise to demand assurance of performance from any such assignor, except if the City has reasonable grounds for insecurity, which grounds will exclude the assignment itself. For purposes of this Section, Developer shall not be deemed to be in control of another business entity unless Developer or a majority of the members of Developer has an ownership interest in such business entity equal to or greater than 51%. No assignment will be effective until written notice is given to the City and the assignee expressly adopts and confirms the Developer’s representations and warranties which are contained in this Agreement as of the time of the assignment. Notwithstanding the foregoing, Developer shall be able to assign up to Four Hundred Sixty-three Nine Hundred Sixty-two and 80/100ths Dollars (\$463,962.80) of its right to future payments of Available Developer Property Increment to SCL. Developer shall also have the right to assign, without the City’s consent, Developer’s rights and interests under this Agreement to Developer’s secured lender as security and collateral in connection with Developer’s financing of the Developer Project. Such assignment to Developer’s secured lender shall not vest such lender with any greater rights than are vested in Developer by the terms of this Agreement nor shall it entitle such lender to any payment which the City is not obligated to make based upon the terms of this Agreement. Any assignment made pursuant to any provision of this Section 4.4, shall be done with at least thirty (30) days’ Notice to the City with the City required to acknowledge the same before becoming obligated to redirect any payment or payments to the assignee.

SECTION V **CITY OBLIGATIONS**

5.1. **Payment of Available Developer Property Increment.** On or before December 1st of each year starting in 2023, and for the duration of this Agreement, the City shall, in accordance with the terms and conditions of this Agreement, determine the amount of Available Developer Property Increment available to make payment to reimburse Developer for any Developer Eligible Redevelopment Project Costs which have been certified by the City. The City will issue payment of the same to Developer within forty-five (45) days thereof. The maximum

cumulative amount to be paid out by the City pursuant to this Agreement shall not exceed Nine Hundred Sixty-three Thousand Nine Hundred Sixty-two and 80/100ths Dollars (\$963,962.80) (“**Maximum TIF Amount**”).

The Maximum TIF Amount shall be increased by Eight Hundred Seventy-five Thousand Dollars (\$875,000) (“**Added Maximum TIF Amount**”), so that the total Maximum TIF Amount shall equal One Million Eight Hundred Thirty Eight Thousand Nine Hundred Sixty-two and 80/100ths Dollars (\$1,838,962.80), should Developer expand the size of the Facility to greater than 200,000 square feet and receive occupancy permits for the no less than 200,000 square feet prior to January 1, 2025. The Added Maximum TIF Amount may only be reimbursed from Available Developer Property Increment derived from tax years following the date which the Facility has been expanded to greater than 200,000 square feet and occupancy permits have been granted for more than 200,000 square feet of the Facility.

5.2. **Obligations of City.**

(a) All payment obligations on the part of the City contained in this Agreement are contingent upon and shall be payable solely from the annual receipt of Available Developer Property Increment paid into the STAF and further subject to the provisions of the Act and this Agreement.

(b) The City will have no obligation to issue any Bonds or borrow any funds.

(c) This Agreement is subject to the Required Amendments being executed prior to August 1, 2021, and the Developer Project Acquisition Contingency.

SECTION VI
COMPLIANCE WITH LAW

6.1. **Defense of Industrial Jobs Recovery Law District:** In the event that any court or governmental agency having jurisdiction over enforcement of the Act and the subject matter contemplated by this Agreement shall determine that this Agreement or payments to be made hereunder are contrary to law, or in the event that the legitimacy of the Redevelopment Project Area is otherwise challenged before a court or governmental agency having jurisdiction thereof, the City and Developer shall reasonably cooperate with each other concerning an appropriate strategy acceptable to both parties to defend the validity of the Redevelopment Project Area, and this Agreement. Furthermore, each party shall pay their respective legal fees, court costs and other expenses directly related to defense of the Redevelopment Project Area that each party shall incur as a result of defense of the Redevelopment Project Area. In the event of an adverse lower court or agency ruling, payments of Available Developer Property Increment shall be suspended during the pendency of any appeal thereof, but such payments shall be reinstated retroactively if such adverse ruling is reversed by the reviewing court or agency and to the extent that the STAF has received such Available Developer Property Increment.

6.2. **Use of Land.** Developer intends that the Developer Property shall be utilized solely in a manner consistent with the Act and as further restricted by this Agreement and the Annexation Agreements. To the extent that it should be determined by the State of Illinois or by a court of competent jurisdiction by non-appealable final order that the Developer has not met the requirements of the Act, such determination will be deemed an Event of Default hereunder such

that Developer shall not be entitled to any further distributions of Available Developer Property Increment and, to the extent required by law, any reimbursement of funds determined to have been paid to Developer in error or in violation of the Act shall be immediately due and payable from Developer to the City.

6.3. **Compliance with Law.** Neither Developer nor any of its contractors, subcontractors or material suppliers shall discriminate based upon race, color, religion, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military status, parental status or source of income in the construction of the Developer Project and shall comply with any and all federal, state and local laws, statutes, ordinances or regulations with regard to non-discrimination in the construction of the Developer Project. To the extent required by law, public works projects will be performed in accordance with prevailing wage laws.

SECTION VII **INSURANCE DURING TERM OF AGREEMENT**

7.1. Prior to commencement of construction of a portion or all of the Developer Project, the Developer shall procure, at the Developer's cost and expense, and shall maintain in full force and effect until each and every obligation of the Developer contained in this Agreement has been fully paid or performed, a policy or policies of general commercial comprehensive liability insurance and, during any period of construction, contractor's liability insurance and worker's compensation insurance, with liability coverage under each such policy to be not less than \$1,000,000 for each occurrence and including automobile insurance coverage. All such policies shall protect the Developer against any liability incidental to the use of or resulting from any claim for injury or damage occurring in or about the Developer Project or the improvements or the construction and improvement thereof and shall name the City as an additional named insured waiving any right of subrogation.

SECTION VIII **DEFAULT REMEDIES**

8.1. **Defaults/Remedies:** If, subject to Section 8.2, either party defaults under this Agreement or fails to perform or keep any term or condition required to be performed or kept by such Party, the defaulting party shall, upon written notice from the other non-defaulting party, proceed to cure or remedy such default or breach within sixty (60) days after receipt of such notice; provided, that in the event such default is non-monetary and cannot with due diligence be wholly cured within said sixty (60) day period, then the defaulting party shall not be in default so long as the defaulting party shall commence the curing thereof and thereafter proceed diligently to cure the same. In the case of an uncured City default, the Developer shall have as its sole and exclusive remedy the right of specific performance. In the event of an uncured default by Developer, the City will be under no obligation to continue any payments of Available Developer Property Increment, may terminate all pledges of Available Developer Property Increment which may have been granted by Developer, and may cancel this Agreement and/or any future payments due hereunder. The City will have the right to require specific performance or to perform any term hereof and then be entitled to indemnity for the costs thereof from Developer, subject to the notice and cure rights herein. Provided the default by Developer is cured within the time frames set forth herein, those annual payments which would have been paid, if not for Developer default, will then be paid to Developer. Notwithstanding the foregoing, no cure opportunity shall be afforded to Developer for failing to comply with the timing requirements in Section 3.1 or 5.2.

8.2. **Event of Default.** For purposes of the Agreement, the occurrence of any one or more of the following (or any other events identified elsewhere in this agreement as an Event of Default), shall constitute an “**Event of Default**”:

(a) If, at any time, any material term, warranty, representation, or statement made or furnished by the City or Developer (including the representations and warranties of Developer described in Section 2.1 hereof and of the City described in Section 2.2 hereof) is not true and correct in any material respect because of which either party is unable to fulfill its obligations hereunder; or

(b) Failure by Developer to meet any of the conditions, obligations or covenants contained in this Agreement, including but not limited to the failure of Developer to construct the Facility in the manner and within the time described in this Agreement; or

(c) If any petition is filed by or against the City or Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereinafter existing (and in the case of involuntary proceedings, failure to cause the same to be vacated, stayed or set aside within ninety (90) days after filing); or

(d) If any lender of Developer (or a lender of any affiliated entity of Developer), forecloses on any of the Developer Property or accepts a deed in lieu of foreclosure from Developer for any of the Developer Property or if any portions of the Developer Property are in any other manner surrendered to a lender; or

(e) If City fails to make payment to Developer of Available Developer Property Increment which is due under this Agreement, unless such payment is determined to be disallowed under the Act; or

(f) If Developer fails to pay any real estate tax when due; or

(g) Any assignment, pledge, encumbrance, transfer or other disposition which is prohibited under this Agreement; or

(h) If Developer fails to pay any payment which may become due pursuant to the terms of the Spring Creek Lakes Maintenance SSA dated August 14, 2017, and recorded August 25, 2017 as Document Number 20171026105 in the office of the Winnebago County Recorder.

8.3. **Waiver and Estoppel.** Any delay by the City or Developer in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive the City or Developer of or limit such rights in any way. No waiver made by the City or Developer with respect to any specific default shall be construed, considered or treated as a waiver of the rights of the City or Developer with respect to any other defaults.

SECTION IX **PERFORMANCE**

9.1. **Time of the Essence.** Time is of the essence of the Agreement.

9.2. **Permitted Delays**. Neither the City nor Developer shall be considered in breach of its obligations with respect to the commencement and completion of the Developer Project or provision of tax increment financing, because of the impossibility of performance or the limitations of Illinois law, or in the event of delay in the performance of such obligations due to unforeseeable causes beyond such party's control and without such party's fault or negligence, including any delays or due to court order, acts of God, acts of the public enemy, acts of the United States, acts of the other party, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, embargoes, economic exigencies, shortages of labor or materials and severe weather or delays of subcontractors due to such causes or any other situation recognized as a force majeure ("**Permitted Delays**"). Subject to the limitations and restrictions of the Act, the time for the performance of the obligations shall be extended for the period of the enforced delay if the City or Developer, as the case may be, seeking the extension shall notify in writing the other within twenty (20) days after becoming actually aware of any such delay and shall use diligence in attempting to complete performance of its obligations.

SECTION X **GENERAL**

10.1. **Drafter Bias**: The parties acknowledge and agree that the terms of this Agreement are the result of on-going and extensive negotiations between the parties, both of whom are represented by independent counsel, and that this Agreement is a result of said negotiations. As a result, in the event that a court is asked to interpret any portion of this contract, neither of the parties shall be deemed the drafter hereof and neither shall be given benefit of such presumption that may be set out by law.

10.2. **Partnership not intended nor Created**: Nothing in this Agreement is intended to, nor shall be deemed to, constitute a partnership or joint venture between the parties.

10.3. **Entirety and Binding Effect**: This document represents the entirety of the agreement between the parties and shall be binding upon them and inure to the benefit of and be enforceable by and against their respective successors, personal representatives, heirs, legatees, and assigns.

10.4. **Survival of Provisions**: If any of the provisions of this agreement are found to be invalid pursuant to any statute or rule of law of the State of Illinois or of any court of competent jurisdiction in which it may be so brought to be enforced, then such provisions shall be deemed null and void to the extent that they may conflict herewith, however the remainder of this instrument and any other application of such provision shall not be affected thereby.

10.5. **Use of Headings**: The headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to, and shall not be deemed to, define, limit or extend the scope or intent of the clauses to which they pertain.

10.6. **Amendments and Modifications**: Except as otherwise provided for herein, this Agreement may not be amended, modified, or terminated, nor may any obligation hereunder be waived orally, and no such amendment, modification, termination, or waiver shall be effective for any purpose unless it is in writing, and bears the signatures of all of the parties hereto.

10.7. **Defaults:** In the event of a default and/or litigation arising out of enforcement of this Agreement, the parties hereto acknowledge and agree that each party shall be responsible for their own costs, charges, expenses, and their reasonable attorney's fees arising as a result thereof.

10.8. **Indemnification:** Developer agrees to indemnify and hold the City and its officers, elected and appointed, employees, agents, and attorneys harmless from and against any and all loss, damage, cost, expense, injury, or liability the City may suffer or incur in connection with any uncured Event of Default under the terms and conditions of this Agreement. Developer further agrees to defend, indemnify, and hold harmless City for any liability arising out of the Developer Project other than that resulting solely from a willful or negligent act of the City. Notwithstanding anything contained within this Agreement to the contrary, in no event shall either party be liable for special, punitive, or consequential damages.

10.9. **Intentionally Omitted.**

10.10. **Notices:** All Notices and requests pursuant to this Agreement shall be sent as follows:

To the Developer:

Loves Park One, LLC
Attn: Legal
1450 McMahan Drive
Neenah, WI 54956

With Developer copy to:

Hinshaw and Culbertson
100 Park Avenue, P.O. Box 1389
Rockford, IL 61101
Attn: Carol Lockwood

To the City:

City of Loves Park
Attn: Mayor
100 Heart Boulevard
Loves Park, IL 61111

With City copy to:

Gino Galluzzo
Allen Galluzzo Hevrin Leake, LLC
6735 Vistagreen Way, Suite 110
Rockford, IL 61107

Or at such other addresses as the Parties may indicate in writing to the other either by personal delivery, courier, nationally recognized delivery service (i.e. Fed Ex) or by certified 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 effective when delivered.

10.11. **Counterparts:** This Agreement may be signed in any number of counterparts, each of which shall be an original, with the main effect as if the signatures thereto and hereto were upon the same instrument.

10.12. **Previous Agreements:** The foregoing is the agreement between the Parties hereto as it now exists at the execution hereof and it is expressly understood, agreed, and distinctly acknowledged that all previous communications and negotiation between the Parties, either written or oral, that are not contained herein are hereby withdrawn, nullified, and void.

10.13. **Construction:** This Agreement shall be subject to and construed under the laws of the State of Illinois

10.14. **Venue:** The exclusive venue of any action involving this Agreement between the parties shall be the Circuit Court for the 17th Judicial Circuit, Winnebago County, Illinois.

10.15. **Local Labor Preference:** Developer agrees that contractors based in Winnebago County, Illinois shall be preferred for all construction work performed on site at the Developer Property if their pricing is competitive, as reasonably determined by Developer and which can be reasonably demonstrated to the City. Contractors performing work at the Developer Property shall participate in apprenticeship and training programs applicable to the work to be performed on the project which are approved by and registered with the United States Department of Labor's Office of Apprenticeship, or its successor organization. Notwithstanding the foregoing, installers retained through the sellers of equipment need not participate in apprenticeship and training programs if the cost of installation is less than \$60,000 per vendor. Developer shall provide reasonable documentation to demonstrate compliance with this paragraph. The Director of Community Development & Public Works ("Director") shall have the authority to waive the requirement that contractors whose cost is less than \$60,000 participate in apprenticeship and training programs if he determines local contractors are not available to timely perform the work for Developer. Any waiver by the Director shall be in writing.

10.16. **July Trial Waiver:** EACH PARTY HEREBY IRREVOCABLY WAIVES ALL RIGHT TO TRIAL BY JURY IN ANY ACTION OR PROCEEDING ARISING OUT OF OR RELATING TO THIS AGREEMENT. EACH PARTY ACKNOWLEDGES THAT THIS WAIVER IS A MATERIAL CONSIDERATION AND INDUCEMENT TO THE EXECUTION OF THIS AGREEMENT AND CONSTITUTES A KNOWING AND VOLUNTARY WAIVER.

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SIGNATURE PAGE

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE VOLUNTARILY SET THEIR HANDS AND SEALS ON THIS AGREEMENT, AND BY DOING SO HAVE ACKNOWLEDGED THAT THEY HAVE READ THE FOREGOING INSTRUMENT IN ITS ENTIRETY AND ACKNOWLEDGE THAT THE SAME IS A LEGALLY BINDING AGREEMENT, AND THAT THEY HAVE CONSCIOUSLY EXECUTED THE SAME AS THEIR OWN FREE AND VOLUNTARY ACT AND DO HEREBY SUBMIT TO AND ACKNOWLEDGE THE TERMS AND CONDITIONS HEREIN.

**LOVES PARK ONE LLC,
an Illinois Limited Liability Company**

By: WOW Logistics Company,
A Wisconsin Company, its Manager

By _____
Howard Kamerer, President and CEO

**City of Loves Park,
an Illinois Municipal Corporation**

By: _____
Gregory R. Jury, Mayor

ATTEST

By: _____
Robert Burden, City Clerk

EXHIBIT A

This legal description to be replaced with legal description of property sold to Loves Park One, LLC once the plat creating the lot is recorded.

LEGAL DESCRIPTION OF DEVELOPER PROPERTY

Lot fifteen (15) as designated upon Plat No. 4 of the Business Park at Spring Creek Lakes, being a resubdivision of Lot 8 of Plat No. 1 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast Quarter (1/4) of section 35 and part of the Southwest Quarter (1/4) of section 36, Township 45 North, Range 2 East of the Third Principal Meridian, and part of the Northwest Quarter (1/4) of section 1 and part of the Northeast Quarter (1/4) of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and also being a resubdivision of Lot 14 of Plat 3 of the Business Park at Spring Creek Lakes, being a subdivision of part of the Southeast Quarter of section 35 and part of the Southwest Quarter of section 36, Township 45 North, Range 2 East of the Third Principal Meridian and part of the Northwest Quarter of section 1 and part of the Northeast Quarter of section 2, Township 44 North, Range 2 East of the Third Principal Meridian, and a resubdivision of Lot 10 of Plat 2 of the Business Park at Spring Creek Lakes, being a resubdivision of Lots 5 and 6 of Plat 1 of the Business Park at Spring Creek Lakes, and being a resubdivision of Lots 2, 3 and 7 of said Plat 1 of the Business Park at Spring Creek Lakes, all being a part of the Southwest Quarter (1/4) of section 36, Township 45 North, Range 3 East of the Third Principal Meridian, Winnebago county, Illinois; the Plat of which subdivision is recorded July _____, 2021 in book _____ of Plats on page _____ as document No. _____ in the recorder's office of Winnebago county, Illinois; situated in the county of Winnebago and the state of Illinois.

EXHIBIT B

ARCHITECTURAL DESIGN CRITERIA

Overall Character

The buildings throughout Developer Property will be a tasteful mixture of traditional and contemporary forms and elements. The entry of each building will be signaled in mass and form, while the remaining extents of the buildings vary in composition and/or massing so as not to be repetitive. Each building will have at least one signature, architectural massing element that sets it apart from the rest and identifies it better than signage can alone. These forms very often signal the entry, although they do not need to.

Materials

As a high-quality development that is built for the future, buildings located on the Developer Property will employ materials with a consideration to the sense of quality they invoke, their historic usage, and longevity. The colors used by buildings reinforce the goal to foster a warm and inviting atmosphere. A building's primary color will predominantly be warm tones common to the earth, stone, prairie, and forest. Contrasting, bold, and saturated colors are acceptable as accents but should not be a dominant color.

Buildings may vary greatly in the materials they employ, but do not use those that invoke images not in keeping with a high quality, timeless, professional environment. The buildings throughout the Developer Property shall adhere to the following:

1. Roof System:
 - a. The roof system shall have a parapet around the entire perimeter of the building for the purpose of concealing from ground view, while at the same grade level, the membrane or metal panel roof system.
 - b. No visible gable roof systems allowed.
 - c. No exposed gutters allowed.
 - d. Interior or exterior roof drainage system utilizing scuppers will be allowed.

2. Exterior Wall System Finish and Facade System Finish Material:
 - a. The following are not allowed building materials unless the City approves the architectural design of the building, in its sole discretion:
 - i. Metal panel systems which exceed fifty percent (50%) of any wall area, excluding windows, doors, and other openings; or
 - ii. Corrugated metals; or
 - iii. EIFS; or
 - iv. Wood materials; or
 - v. Flat CMU units; or
 - vi. Wood or hardy plank; or

- vii. Vinyl or Plastic; or
- viii. Exposed Concrete / Cinder Block (without rustication); or
- ix. Asphalt shingle

This exhibit shall not waive any of the development or design guidelines referenced in the Annexation Agreements of record relating to the Developer Property but shall act to further restrict the same. The requirements of this Exhibit may be waived by written express intent referencing waiver of specific requirements of this exhibit by the Mayor or Community Development Director.