

ORDINANCE NO. 22-03-07

CITY OF CHILLICOTHE, ILLINOIS

AN ORDINANCE APPROVING REDEVELOPMENT AGREEMENT

WHEREAS, the City of Chillicothe, Illinois ("City of Chillicothe") is an Illinois municipality organized and operating pursuant to the Illinois Municipal Code (65 ILCS 5/1-1-1, *et. seq.*); and

WHEREAS, Section 11-74.4-4 of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-4) provides that no agreement regarding the development of land shall be made except upon the adoption of an ordinance by the corporate authorities; and

WHEREAS, the City of Chillicothe has, pursuant to statute, designated a Redevelopment Project Area and approved Redevelopment Plans; and

WHEREAS, the City of Chillicothe has received a proposal from Amber Rusk and Joanna Vining (collectively, the "Developer") whereby the Developer proposes to acquire and rehabilitate the building located on the real estate commonly known as 213 W. Walnut Street, Chillicothe, IL (the "Project Site"), which is expected to generate substantial tax revenue and employment opportunities; and

WHEREAS, the City Council has determined it is necessary and in the best interests of the City of Chillicothe and the health, safety, and welfare of its citizens to enter into a Redevelopment Agreement with the Developer.

NOW, THEREFORE, BE IT ORDAINED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CHILLICOTHE, PEORIA COUNTY, ILLINOIS, AS FOLLOWS

Section One: The foregoing recitals and the findings therein are hereby adopted by the City Council of the City of Chillicothe and are incorporated herein by reference in their entirety.

Section Two: The Redevelopment Agreement attached hereto and incorporated herein by this reference is hereby approved.

Section Three: The Mayor, Clerk, and other officers of the City of Chillicothe are authorized to execute the Redevelopment Agreement and other documents, and to perform all acts necessary to carry out the intent of this ordinance and the Redevelopment Agreement.

Section Four: This Ordinance shall be effective immediately upon passage, approval, and publication as may be required by law.

PASSED AND APPROVED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF CHILLICOTHE, PEORIA COUNTY, ILLINOIS this 28th day of March, 2022.

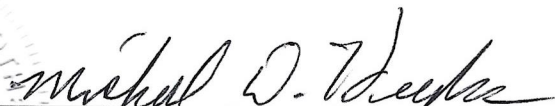
Ayes: Five (5)

Nays: None (0)

Absent: Three (3)

Attest:


Margaret Hurd, Clerk


Michael D. Hughes, Mayor

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT ("Agreement") is dated as of 3/24/2022, 2022, between the CITY OF CHILLICOTHE, Peoria County, Illinois, an Illinois municipal corporation (the "City"), and AMBER RUSK, an individual, and JOANNA VINING, an individual, (individually and collectively, the "Developer").

For the purpose of this Agreement, the following terms shall have the meanings as hereinafter indicated:

"Act": Shall mean the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., including all amendments thereto.

"Project Site" or "Property" Shall mean the property commonly known as 213 W. Walnut Street, Chillicothe, Illinois, as more particularly described on Exhibit A attached hereto and incorporated herein by this reference.

"Redevelopment Plan" shall mean the Central Business District/Riverfront Tax Increment Redevelopment Plan, as amended from time to time.

"Redevelopment Project Area" shall mean the Central Business District/Riverfront Redevelopment Project Area, as described in the Redevelopment Plan, sometimes also referred to herein as the "TIF District".

- PREAMBLE - DESIGNATION OF REDEVELOPMENT PROJECT AREA

A. Adoption and Qualification as a TIF District. The City has previously approved the Redevelopment Plan, designated the Redevelopment Project Area a redevelopment project area pursuant to the Act, adopted tax increment allocation financing therein, and directed that the tax increment shall be allocated to and, when collected, shall be paid to the City Treasurer who shall deposit said funds in the special tax allocation fund for the purpose of paying redevelopment project costs and obligations incurred in the payment thereof.

B. Objectives. The reasons for establishing the Redevelopment Project Area are to eliminate the blighted conditions in the Redevelopment Project Area and to guide private development projects in order to achieve the objectives set forth in the Redevelopment Plan.

C. Incentives. To help achieve the aforementioned objectives, and to help realize the resultant benefits, the City will provide specific incentives (as hereinafter described) to the Developer.

D. Project. The City believes that the Redevelopment Improvements (as defined below) will aid the redevelopment of the Redevelopment Project pursuant to the Redevelopment Plan and is

in the vital and best interests of the City and the health, safety, morals and welfare of its residents, and in accordance with the public purposes and provisions of the applicable federal, state and local laws.

AGREEMENT

NOW, THEREFORE, in consideration of the mutual promises and representations hereinbefore, and hereinafter, set forth, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

ARTICLE I ACQUISITION AND IMPROVEMENT OF PROJECT SITE

In consideration of the incentives provided by the City as hereinafter described, the Developer shall, except as described herein, at its sole cost and expense, acquire and rehabilitate the Project Site (the "Project") as follows:

1.1 Acquisition of Project Site. The Developer will acquire the Project Site on the terms and conditions set forth in Article III below and in the Real Estate Purchase Contract attached hereto as Exhibit C and incorporated herein by this reference (the "Acquisition"). The City shall provide a portion of the acquisition cost as described in Sections 2.1 and 2.2 of this Agreement.

1.2 Rehabilitation of Project Site. Developer shall rehabilitate the Project Site as described on Exhibit B hereto (the "Redevelopment Improvements"). The Developer shall commence construction of the Redevelopment Improvements on or before April 15, 2022. The Developer anticipates the Redevelopment Improvements to be completed on or before September 30, 2022, and in no event will the Redevelopment Improvements be completed later than October 31, 2022; provided, however, if delay is caused or contributed to by act or neglect of the City or those acting to or for or under the City, labor disputes, weather, casualties, acts of God, public enemy, government, embargo, restrictions, action or non-action of public utilities or of local, state or federal government affecting the work, or other causes beyond the Developer's control, then the time of completion of said construction shall be extended for the additional time caused by such delay.

1.3 Certificate of Completion. Upon completion of the Developer's obligations under Section 1.2 of this Agreement to the reasonable satisfaction of the City, the City shall issue, upon the request of the Developer, a certificate of completion. Issuance of said certificate shall evidence completion of the Developer's obligations under Section 1.2 of this Agreement.

ARTICLE II DEVELOPMENT INCENTIVES

2.1 Loan. The City will provide the Developer a loan in the amount of \$40,000.00 from the City's HELP loan fund ("Loan"). The proceeds of the Loan shall be used only for costs of the Acquisition and the Redevelopment Improvements. The Loan shall be evidenced by documentation in form and substance satisfactory to the City, and shall be on the terms and conditions satisfactory to the City, including, without limitation, the following:

- interest rate: 3.00% per annum
- term: five years
- security: first position mortgage on the Project Site;
- \$50.00 application fee and \$500.00 closing fee

The City will disburse the proceeds of the Loan to the Developer as follows:

The sum of \$40,000.00 for Redevelopment Improvements, upon the request of the Developer, but not more often than monthly, upon the satisfaction of the following conditions:

- the Developer shall have delivered to the City evidence that the Developer has paid not less than \$20,000.00 toward the cost of construction of the Redevelopment Improvements; and
- the Developer shall have delivered to Chicago Title Insurance Company (the "Title Insurer") such lien waivers, sworn statements and other documentation requested by the Title Insurer to allow the Title Insurer to issue a loan title insurance policy to the City, with mechanics lien coverage, in the amount of the requested draw; and
- The City Engineer shall have approved the construction work in place for the Project through the date of the requested draw and verified that the cost of such work is not less than \$20,000.00 plus the amount of all requested draws.

The repayment of the Loan shall not be subject to the notice of default provisions of Section 6.2.C. of this Agreement.

2.2 Redevelopment Project Costs Reimbursement. The City has entered into this Agreement in furtherance of the Redevelopment Plan and, directly in connection therewith, agrees to reimburse Developer for up to \$52,500.00 of "redevelopment project costs" permitted to be reimbursed pursuant to 65 ILCS 5/11-74.4-3(q), incurred by the Developer in connection with the Acquisition and the Redevelopment Improvements, as follows: the sum of \$52,500.00 for the Acquisition to be paid at Closing.

2.3 Use of the Redevelopment Improvements. Developer shall use both the Redevelopment Improvements for its retail and tanning salon business for no less than five (5) years after the date of completion of construction of the Redevelopment Improvements (the "Completion Date").

2.4 Lien Waivers. All contracts for construction of the Redevelopment Improvements shall provide that all contractors and subcontractors shall furnish contractor's affidavits in the form provided by the state statute and that waiver of liens be required for all payments made.

2.5 Rights of Inspection. During construction of the Redevelopment Improvements, the City or its designee shall have the right from time to time during normal business hours, upon reasonable notice, and subject to such safety restrictions as Developer may reasonably impose, to enter upon the Project Site for the purposes of inspection. Such inspection by the City of the Project Site and Redevelopment Improvements shall not be construed as a representation by the City that there has been compliance with the construction plans or that the Redevelopment Improvements will be or are free of faulty materials or workmanship, or a waiver of any right, the City or any other party may have against the Redeveloper or any other party for noncompliance with the construction plans or the terms of this Agreement.

2.6 City as a Third-Party Beneficiary. All contracts for construction of the Redevelopment Improvements shall provide that the City is an intended third-party beneficiary of said contract.

ARTICLE III ACQUISITION OF PROPERTY

3.1 Condition Precedent. Developer shall obtain, at Developer's expense, a lender's title insurance commitment for the Property showing merchantable title in Andrew Schaar and Kelley Schaar, subject only to general real estate taxes, easements, covenants, and restrictions of record. The City shall provide notice to the Developer as to whether or not the City accepts the status of title on or before that date which is thirty (30) days after execution of this Redevelopment Agreement.

3.2 Closing. The closing of the acquisition of the Property shall be held at a location and time mutually acceptable to the City and Developer within thirty (30) days of the City's approval of a title insurance commitment (the "Closing Date" or the "Closing").

3.3 Delivery of Documents. Developer shall deliver to the City copies of documentation associated with the conveyance of the Property, including, without limitation, surveys, test reports, title documents and conveyance documents.

3.4 No Warranties. The City makes no representations or warranties regarding the Property. The Developer shall make such inspections as it may deem necessary and proper.

ARTICLE IV NOTICE

4.1 Form. All notices and demands required hereunder shall be in writing and shall be deemed given when delivered personally or three (3) days after deposit in the United States Mail, postage prepaid, certified, with return receipt requested, addressed to the parties as follows:

If to the City:	City of Chillicothe
	City Hall, 908 S. 2 nd Street
	Chillicothe, IL 61523
	Attn: City Clerk

With Copy to: Kevin D. Day
Hasselberg Grebe Snodgrass
Urban & Wentworth
401 Main Street, Suite 1400
Peoria, IL 61602-1258

If to Developer: Amber Rusk and Joanna Vining
208 Prairie Springs Drive
Chillicothe, IL 61523

With copy to: _____

ARTICLE V REPRESENTATIONS AND COVENANTS OF THE DEVELOPER

The Developer represents, warrants, and agrees as the basis of the undertakings herein contained that:

5.1 No Prohibitions. Developer is not prohibited from transacting business in the State of Illinois.

5.2 Authorization. The Developer has power to enter into, and deliver and perform, this Agreement.

5.3 Non-Conflict or Breach. Neither the execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, conflicts with or results in a breach of any of the terms, conditions or provisions of any restriction, agreement or instrument to which the Developer is now a party or by which the Developer is bound.

5.4 Pending Lawsuits. There are no lawsuits either pending or threatened that would affect the ability of the Developer to proceed with the Redevelopment Improvements on the Project Site.

5.5 Conformance with Requirements and Regulations. The Developer represents and warrants that the performance of the Redevelopment Improvements will in all material respects conform to and comply with all covenants, conditions, restrictions, zoning ordinances, environmental regulations and land use regulations affecting the Redevelopment Project Area.

5.6 Prevailing Wage.

5.6.1 Obligation. The Developer agrees that Developer and any of Developer's contractors or vendors shall pay the Prevailing Wage on any Redevelopment Improvements, and provide to the City an appropriate payroll certification.

5.6.2 Notification. This Agreement calls for the construction of a "public work," within the meaning of the Illinois Prevailing Wage Act, 820 ILCS 130/01 *et seq.* ("the Act"). The Act requires contractors and subcontractors to pay laborers, workers and mechanics performing services on public works projects no less than the current "prevailing rate of wages" (hourly cash wages plus amount for fringe benefits) in the county where the work is performed. The Illinois Department of Labor (the "Department") publishes the prevailing wage rates on its website at <http://labor.illinois.gov/>. The Department revises the prevailing wage rates and the contractor/subcontractor has an obligation to check the Department's web site for revisions to prevailing wage rates. For information regarding current prevailing wage rates, please refer to Department's website. All contractors and subcontractors rendering services under this Agreement must comply with all requirements of the Act, *including but not limited to*, all wage requirements and notice and record keeping duties.

5.7 General Covenants.

5.7.1. The Developer will pay and keep current all appropriate and reasonable City fees set forth in the City Code that may from time to time apply to the Project Site and/or its development which are consistently applied to development within the City and Developer agrees not to contest the validity of any of same.

5.7.2 The Developer shall construct the Redevelopment Improvements on the Project Site.

5.7.3 The Developer shall not protest any reasonable real estate assessments or reasonable real estate taxes on the Project Site.

5.7.4 The Developer will not take any action or in any manner cause the Project Site to be removed from the real estate tax rolls as fully taxable real property.

5.7.5 The Developer shall execute a Memorandum to be indexed to the Project site indicating in substance that the Property is subject to the terms and conditions of this Agreement.

5.7.6 The Developer shall promptly pay when due all reasonable real estate taxes which are a lien upon the Project Site.

5.8 Developer Indemnification of City. Developer agrees to indemnify and save the City and its officers and employees harmless against all claims by or on behalf of any person, firm or corporation arising from any breach or default on the part of Developer in performance of any of its obligations contained in this Agreement. Developer agrees to indemnify and save the City harmless

from and against all reasonable costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon. In case any such claim shall be made or action brought based upon any such claim in respect of which indemnity may be sought against Developer upon receipt of notice in writing from the City setting forth the particulars of such claim or action, Developer shall assume the defense thereof including the employment of counsel and the payment of all costs and expenses. The City shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the City. Further, the Developer (not the City) shall be solely responsible for the completion of the Project.

5.9 Sale of Property.

5.9.1 Developer represents and warrants that it will not, prior to the completion of construction of the Project, except for the purpose of the securing a mortgage for the purpose of obtaining financing for the construction of the Redevelopment Improvements and for utility easements, make or create any total or partial sale, assignment, conveyance, lease, trust or power or any other transfer ("Transfer") of the Property, or any portion thereof, or of this Agreement without the prior written consent of the City; provided, however, that as a condition of any such Transfer, the transferee must agree to be bound by the terms and conditions of this Agreement.

5.9.2 Developer may Transfer the entire Property during the five (5) years immediately following the Completion Date with the prior written consent of the City, which consent shall not be unreasonably withheld; provided, however, that as a condition of such Transfer, the transferee must agree to be bound by the terms and conditions of this Agreement and, as a further condition of any such Transfer during such five (5) year period, the Developer must pay to the City the sum of \$52,500.00, being the value of the incentive provided to the Developer by the City. There shall be no limitation on transfer of the property after the five (5) years immediately following the Completion Date.

5.9.3 Notwithstanding the foregoing, the Developer shall not subdivide the Property or transfer less than all of the Property at any time without the consent of the City.

5.9.4 The City shall act reasonably and promptly in responding to any requests for Transfer under this Section 5.9.

5.10 Non-Discrimination. Developer will not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, or national origin. The Developer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex or natural origin. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices to be provided by the City setting forth the provisions of this non-discrimination clause.

5.11 Advertising. The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin.

5.12 Compliance with Laws. Developer shall at all times comply with all applicable laws, statutes, ordinances and regulations, including, without limitation, the Chillicothe City Code.

ARTICLE VI EVENTS OF DEFAULT AND REMEDIES

6.1 Events of Default. The following shall be events of default with respect to this Agreement:

A. If any material representation made by the Developer or City in this Agreement, or in any certificate, notice, demand or request made by the Developer or City, in writing and delivered to the other party pursuant to or in connection with any of said documents shall prove to be untrue or incorrect in any material respect as of the date made; or

B. Default in the performance or breach of any covenant, warranty or obligation of the Developer or the City in this Agreement; or

C. The entry of a decree or order for relief by a court having jurisdiction in the premises in respect for the Developer in an involuntary case under the Federal Bankruptcy Laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, sequestrator (or similar official) of the Developer for any substantial part of its property, or ordering the winding-up or liquidation of its affairs and the continuance of any such decree or order unstayed in and effect for a period of 60 consecutive days;

D. The commencement by the Developer of a voluntary case under the Federal Bankruptcy Laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by any such entity to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, sequestrator (or similar official) of the Developer or of any substantial part of such entity's property, or the making by any such entity of any assignment for the benefit of creditors or the failure of the Developer in furtherance of any of the foregoing.

6.2 Remedies on Default.

A. Default in Construction of Improvements. In the event Developer, after title to the Property is conveyed, defaults under the provisions of Section 1.2 of this Agreement with respect to completion of the Project, Developer shall, unless such

construction is extended under the provisions of Section 1.2 or by agreement of the parties, at the option of the City either a) convey the Project Site by Warranty Deed to the City; or b) pay to the City the sum of \$52,500.00, being the value of the incentive provided to the Developer by the City.

B. Specific Performance. The parties agree and acknowledge that either party shall be entitled to a specific performance for breach of this Agreement. The specific performance shall not be exclusive, but shall be in addition to any other rights or remedies which each party may have for any such breach.

C. Notice of Default. Except as otherwise provided in this Agreement, in the event of any default in or breach of this Agreement, or any of its terms or conditions, by either party hereto or any successors to such party, such party or successor shall, upon written notice from the other, take immediate action to cure or remedy such default or breach, and, in any event, within thirty (30) days after receipt of such notice provided that if said breach cannot be cured within the thirty (30) days but the defaulting party diligently pursuing the same, then the time for cure shall likewise be reasonably be extended. If such course of action is not taken, or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its option to cure or remedy such default or breach.

D. Non-limitation of Remedies. This section shall in no way limit the remedies of the City and Developer pursuant to the other sections of this Agreement and pursuant to law and equity in the event of default by either party provided that no damages may be sought until all efforts at specific performance have been exhausted.

E. Rights and Remedies Cumulative. Subject to the limitations herein, the rights and remedies of the parties to this Agreement (or their successors in interest) whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the time or different times, of any other such remedies for the same default or breach by the other part. No waiver made by either such party with respect to the performance, nor the manner of time thereof, or any obligation of the other party or any condition to its own obligation under the Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

6.3 Agreement to Pay Attorney's Fees and Expenses. In the event a party should default under any of the provisions of this Agreement and the other party should employ attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligation or agreement as provided herein, the losing party agrees that it will, on demand therefor, pay to the prevailing party the reasonable fees of such attorneys and

such other expenses so incurred by the prevailing party with respect to the issues upon which the prevailing party has prevailed.

6.4 No Waiver By Delay.

A. Any delay by the City in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this Agreement shall not operate to act as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the City should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope to otherwise resolve the problems created by the default involved; nor shall any waiver in fact made by the City with respect to any specific default by the Developer under this section be considered or treated as a waiver of the rights of the City, with respect to any other defaults by the Developer under this section or with respect to any defaults under any section in this Agreement or with respect to the particular default, except to the extent specifically waived in writing by the City.

B. Any delay by the Developer in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this Agreement shall not operate to act as a waiver of such rights or to deprive it of or limit such rights in any way (it being the intent of this provision that the Developer should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedy provided in this section because of concepts of waiver, laches or otherwise) to exercise such remedy at a time when it may still hope to otherwise resolve the problems created by the default involved; nor shall any waiver in fact made by the Developer with respect to any specific default by the City under this section be considered or treated as a waiver of the rights of the Developer, with respect to any other defaults by the City under this section or with respect to any defaults under any section in this Agreement or with respect to the particular default, except to the extent specifically waived in writing by the Developer.

ARTICLE VII GENERAL

7.1 Assessment of Redevelopment Project Area. The parties agree that the Project Site shall be assessed for general real estate taxes in the manner provided by Illinois Compiled Statutes, as amended from time to time. The Developer agrees that it will not do any of the following until the issuance of the certificate of completion described in Section 1.3 of this Agreement:

- (a) Request a full or partial exemption from general real estate taxes; or
- (b) Request an assessment at a value not permitted by law.

7.2 No Recourse Against Public Officials. No recourse under or upon any obligation, covenant or agreement of this Agreement or for any claim based thereon or otherwise in respect thereof shall be had against the elected public officials of the City or its officers, attorneys and employees, in any amount subject to the terms and conditions herein, and no liability, right or claim at law or in equity shall attach to or shall be incurred by the elected public officials of the City or its officers, attorneys and employees and all such claims are hereby expressly waived and released as a condition of and as a consideration for the execution of this Agreement by the City, provided such elected officials, officers, attorneys and employees are acting pursuant to lawful authority and are uniformly enforcing and/or administering the laws, ordinances, practices and procedures of the City. This paragraph is a waiver of claims only with respect to the individuals named herein, and is not a waiver by the Developer of any claims against the City.

7.3 No Waiver. Failure of any party to this Agreement to insist upon the strict and prompt performance of terms, covenants, agreements, and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

7.4 City Action. Where City approval or direction is required by this Agreement, such approval or direction means the approval or direction of the City Council unless otherwise expressly provided or required by law.

7.5 Incorporation of Recitals. The definitions and recitals set forth herein are hereby specifically incorporated into this Agreement.

7.6 Entire Agreement. The terms and conditions set forth in this Agreement and its Exhibits supersede all prior oral and written understandings and constitute the entire agreement between the City and the Developer.

7.7 Binding Upon Successors in Interest. This Agreement shall be binding upon the parties hereto and their respective heirs, successors, administrators, assigns, or other successors in interest.

7.8 Titles of Paragraphs. Titles of the several parts, paragraphs, sections, or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provision.

7.9 Certificate of Completion. Upon completion of the Redevelopment Improvements as required under Article I of this Agreement, the City shall issue a certificate of completion. Issuance of such certificate shall evidence completion of the Developer's obligations under this Agreement with respect to the Redevelopment Improvements.

7.10 Further Assistance and Corrective Instruments. The City and the Developer agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may

reasonably be required by the parties hereto, for carrying out the intention of or facilitating the performance of this Agreement.

7.11 Provisions Not Merged With Deed. None of the provisions of this Agreement are intended to, nor shall they be merged by reason of any deed transferring title to the Property to the Developer or any successor in interest, and said deed shall not be deemed to affect or impair the provisions and covenants of this Agreement.

7.12 Real Estate Commissions. Each of the parties represents to the other that it has not incurred and will not incur any liability for brokerage fees or agent commissions in connection with this Agreement, and City and Developer each agree to indemnify and hold the other harmless from and against any and all claims or demands with respect to any brokerage fees or agents' commissions or other compensation asserted by any person, firm, or corporation in connection with this Agreement or the transactions contemplated hereby, insofar as any such claim is based upon any conversation or contract with City or Developer, respectively.


7.13 Construction of Agreement/Venue. This Agreement shall be construed pursuant to the laws of the State of Illinois. As a substantial portion of the duties and obligations of the parties created hereunder are to be performed in Peoria County, Illinois, it is agreed that Peoria County, Illinois shall be the sole and exclusive jurisdiction and venue for any litigation or other proceedings as between the parties that may be brought, or arise out of, or in connection with or by reason of this Agreement.

7.14 Counterparts. If this Agreement is executed in two or more counterparts, each shall constitute one and the same instrument and shall be recognized as an original instrument.

IN WITNESS WHEREOF, this Agreement is executed as of the date first written above.

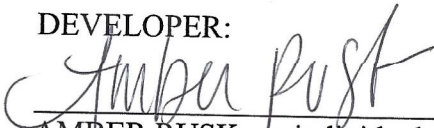
CITY:

CITY OF CHILLICOTHE,

By: 
Michael Hughes, Mayor

Attest: 
Margaret Hurd, Clerk

DEVELOPER:


AMBER RUSK, an individual

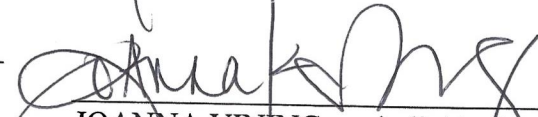

JOANNA VINING, an individual

EXHIBIT A

DESCRIPTION OF PROJECT SITE

DARST'S ADD SE 1/4 SEC 20-11N-9E LOT 6 BLK 19 (EXC N 1.8' OF W 33' THEREOF); ALSO LOT 6
BLK 19 JAMISON & HART'S ADD (EXC ELY 108' THEREOF), PEORIA COUNTY, ILLINOIS

PIN: 05-20-482-008

HELP LOAN APPLICATION

A: HISTORY OF BUSINESS

We are starting up a brand new business. We both have experience in a basic retail setting. Joanna has 17 years of marketing and graphic design experience. Amber has 10 years of working with the general public. We have helped our family in their business adventures and are ready to jump into the retail business ourselves.

B: MARKET INFORMATION

Potential Customers- We feel that opening up the tanning salon within our store will bring built in retail customers. We plan to offer a unique small town shopping vibe along with an online presence.

C: COMPANY MANAGEMENT

We are going to be 50/50 partners for the business.

D: TWO YEAR PROJECTIONS

Not available at this time - this will be a complete new overhaul and new business - On the tanning salon side we do not plan on buying the existing book of business only the equipment. We plan to start fresh.

E: LAND AND/OR BUILDING INFO

Current address of the business is 213 W Walnut St, Chillicothe, IL 61523
Whispering Palms Tanning Salon is currently in this space but the business has been closed.

F--DESCRIPTION OF MACHINERY AND EQUIPMENT

For the retail side we will need a cash register, sales tracking software and store displays along with racks and furniture to make the store a pleasing atmosphere and easy to shop. The tanning side will have the four existing laydown beds and a stand up bed. We will be putting in a spray tanning booth for those who do not want sun exposure. We will also have a tanning software and computer to navigate appointments and clients.

G --FINANCIAL STATEMENTS

See Attached Tax returns for Amber Rusk and Joanna Vining and there is a small business loan applied for to make up our part of the costs that we plan to bring.

EXHIBIT C
REAL ESTATE PURCHASE CONTRACT

COMMERCIAL SALES CONTRACT

1. MUTUAL COVENANTS. ANDREW SCHAAAR and KELLEY SCHAAAR, husband and wife, (hereinafter collectively referred to as "Seller") agrees to sell and JOANNA KATHREN VINING and AMBER BETH RUSK, (hereinafter collectively referred to as "Buyer") agrees to purchase, upon the terms set forth in this Contract, the real estate commonly known as 231 W. Walnut Street, Chillicothe, Illinois and legally described as follows:

Parcel 1:

Part of Lot 6 in Block 19, partly in JAMISON AND HART'S ADDITION and partly in DARST'S ADDITION to the Town, now City of Chillicothe, more particularly bounded and described as follows, to-wit: Commencing at a point on the Southwesterly line of said Lot on Walnut Street, 108 feet Northwesterly of the Southeast corner of said Lot; running thence Northwesterly along the line of said Lot on Walnut Street 24 feet; thence at right angles in a Northeasterly direction, 66 feet to the Northerly line of said Lot; thence Southeasterly along the Northerly line of said Lot and parallel with Walnut Street 24 feet; thence Southwesterly 66 feet to the place of beginning; situate, lying and being in the City of Chillicothe, County of Peoria and State of Illinois.

Parcel 2:

Part of Lot 6 in Block 19, partly in JAMISON AND HART'S ADDITION and partly in DARST'S ADDITION to the Town, now City of Chillicothe, more particularly bounded and described as follows, to-wit: Commencing at the Southwest corner of said Lot 6; thence Northeasterly along the Northwesterly line of said Lot 6, a distance of 64.20 feet; thence Southeasterly along a line parallel with and 1.80 feet equidistant from the Northeasterly line of said Lot 6, a distance of 33 feet; thence Southwesterly along a line parallel with and 33 feet; thence Southwesterly along a line parallel with and 33.00 feet equidistant from the Northwesterly line of said Lot 6, a distance of 64.20 feet; thence Northwesterly along the Southwesterly line of said Lot 6, a distance of 33.00 feet to the Point of Commencement; situate, lying and being in the City of Chillicothe, County of Peoria and State of Illinois.

P.I.N.: 05-20-482-008

together with all easements and rights of way appurtenant thereto, all improvements thereon and all fixtures of a permanent nature currently on the premises improved with a commercial building (sometimes hereinafter referred to as "Premises") pursuant to all of the terms and conditions as hereinafter set forth.

2. PURCHASE PRICE. Buyer agrees to pay Seller the total of Seventy-Five Thousand and no/100 Dollars (\$75,000.00). Buyer has tendered the sum of Five Hundred and no/100 Dollars (\$500.00) upon execution of this Commercial Sales Contract as earnest money to Seller's attorney, Michael T. Mahoney, to be held in the real estate trust account of Michael T. Mahoney, Ltd. pending a successful closing of this transaction. The purchase price, adjusted by pro-rations and credits allowed the parties by the Contract, shall be paid to Seller when closed, by wire transfer, cashier's check, or other form of payment acceptable to title agent.

The purchase price of \$75,000.00 is allocated as follows:

\$ 70,000.00 for the commercial building and real estate;

\$ 5,000.00 for the equipment consisting of five (5) tanning beds, all counters and all shelving units.

3. FINANCING. The Buyer has fourteen (14) days from the date of execution of this Contract to secure mortgage financing for the purchase of the Premises on terms and conditions acceptable to Buyer. If Buyer is unable to obtain financing on or before fourteen (14) days from the date of execution of this Contract, upon terms and conditions as Buyer shall choose to accept, Buyer may terminate this Contract by providing written notice to Seller within three (3) business days after such date in which event this Contract will terminate and earnest money will be refunded to Buyer. If no such notice is given to Seller, this financing condition shall be deemed waived.

4. CLOSING. The closing shall be held on or before April 29, 2022 or such other time as may be mutually agreed in writing. The closing shall be held at the office of Seller's attorney, or such other place as the parties may agree. Further, the Buyer shall be solely responsible for all of Seller's attorney's fees and closing costs in connection with this transaction.

All available surveys, owner's manuals and equipment warranties shall be delivered to Buyer at or before closing. If the closing is delayed past the closing date due to the fault of either party, even if this transaction is subsequently closed, the defaulting party shall pay damages as provided for in this Contract. The non-defaulting party will be entitled to collect damages as soon as the default occurs and the notice and cure provisions provided for in paragraph 13 are not applicable to this paragraph.

5. POSSESSION. Seller shall deliver exclusive possession immediately following closing.

6. **FIXTURES AND PERSONAL PROPERTY.** Seller shall convey all existing improvements and fixtures (unless leased), and the equipment in paragraph 2 above. Further, all included items shall be left on the Premises at closing and are included in the sale price as itemized in paragraph 2 above and are to be accepted by Buyer in "as is" condition.

7. **CONVEYANCE.** Seller's conveyance of the real estate shall be by a recordable general Warranty Deed subject only to exceptions permitted herein, at the closing of this transaction upon Buyer's compliance with the terms of this Contract, and Seller shall also provide satisfactory transfer tax declarations required for transfer, if applicable.

8. **CONDITION OF PREMISES.** Buyer shall accept possession of the property in its current "as is" condition with no warranties, either express or implied.

9. **INDEMNIFICATION.** It is expressly agreed that Buyer shall not assume any liabilities of Seller incurred in connection with the operation of any business at this location prior to closing and Seller agrees to indemnify and hold Buyer harmless regarding same.

10. **INSURANCE.** Seller shall, at Seller's expense, keep the Premises constantly insured with a responsible insurance company or companies against loss by fire with extended coverage for its full insurable value until closing. If the Premises are materially damaged by fire or other casualty before closing, Buyers may, at Buyer's option: (a) accept the insurance or other settlement and complete the transaction; or (b) terminate this Contract, in which event the amount paid by Buyer hereunder shall be refunded.

11. **EVIDENCE OF TITLE.** Upon Seller or Seller's Attorney obtaining notice of written loan approval received from Buyer's Lender, Seller shall order at Seller's expense, and Seller shall deliver at least five (5) calendar days before closing to Buyer showing Seller's merchantable title in the premises, a Commitment for Title Insurance issued by a title insurance company regularly doing business in the county where the premises are located, committing the company to issue an ALTA policy insuring title to the premises in Buyer for the amount of the purchase price.

Permissible exceptions to title shall include only: (a) the lien of general taxes not yet due; (b) zoning laws and building ordinances and matters of survey; (c) easements of record; (d) limitations and conditions imposed by the Illinois Condominium Property Act, if applicable; (e) items assumed by Buyer hereunder; (f) any lien which may be removed by the payment of money from the purchase price at closing; (g) covenants, conditions, reservations, rights-of-way, dedications

and restrictions of record; and (h) reservation of mineral title; provided, none of the foregoing exceptions are permissible if they are violated by the existing improvements or the Buyer's intended use of the property.

If title evidence discloses exceptions other than those permitted, Buyer shall give written notice of the exceptions to Seller within a reasonable time before the closing date. Seller shall have a reasonable time (but not later than the closing date) to have the title exceptions removed. If Seller is unable to cure the exceptions, then Buyer shall have the option to terminate this Contract.

12. TAXES, ASSESSMENTS AND PRO-RATIONS. Real estate taxes and any special service district taxes shall be prorated through (and including) the date of possession and a credit for same allowed Buyer. If the amount of the taxes is not then ascertainable, prorating shall be on the basis of the most current net taxable value of the property (current equalized assessed value, less all exemptions times the most current tax rate). All exemptions shall extend to the benefit of Buyer. Special assessments which are a lien upon the real estate as of the date of closing shall be Seller's expense and paid in full at closing or a credit for same allowed Buyer.

13. DEFAULT. If either party does not perform any obligation under this Contract (a "default"), the non-defaulting party shall give written notice of the default to the defaulting party. Notice must be given no later than seven (7) days after the scheduled closing date (or any written extension thereof) or possession, whichever occurs later in time. Failure to provide the notice shall limit available remedies of the non-defaulting party to recovery of the earnest money deposit. If notice is properly given, and the defaulting party does not cure the default within 10 days of the notice, the non-defaulting party may pursue any remedy available in law or equity, including specific performance. Amounts recoverable for damages are not limited to the amount of the earnest money deposit. In the event of litigation, the defaulting or losing party shall pay upon demand the reasonable attorney's fees and court costs (if any) incurred by the prevailing party.

14. EARNEST MONEY. Upon receipt of a written request by Buyer or Seller for return or delivery of the earnest money, the holder shall promptly give the other party a copy of the request, and provide both parties a statement of how the holder proposes to distribute the earnest money. If the holder does not receive written objection to the proposed distribution from Buyer or Seller within thirty (30) days from service of the request and statement, the holder may proceed to distribute the earnest money in accordance with the proposed distribution. The Buyer and Seller instruct the holder of the earnest money that in the event of any dispute regarding the right to the earnest money, the holder shall retain the funds until receipt of joint written instruction from both Seller and Buyer or Order of Court. Alternatively, the holder may interplead any funds held into the Court for

distribution after resolution of the dispute between Seller and Buyer, and the holder may retain from the funds the amount necessary to reimburse holder for court costs and reasonable attorney's fees incurred due to the interpleader. If the amount held is inadequate to reimburse holder for court cost and attorney's fees, Buyer and Seller shall jointly and severally indemnify holder for additional costs and fees incurred.

15. **PRECLOSING INSPECTION.** At a prearranged, reasonable time within five (5) days prior to closing, Buyer shall have the right to inspect the entire Premises sold hereunder to determine that there has been no material change in the condition of same and to otherwise determine compliance with the terms and conditions of this Contract. Buyer shall give Seller written notice prior to closing of any problems identified during Buyer's inspection.

16. **NOTICES.** Any notice required under this Contract shall be in writing and shall be deemed served upon Seller or Buyer when personally delivered, deposited for mailing by first class mail, or by sent facsimile with written confirmation by first class mail sent the same day to Buyer, Seller or their Attorneys at the addresses and facsimile numbers set forth herein.

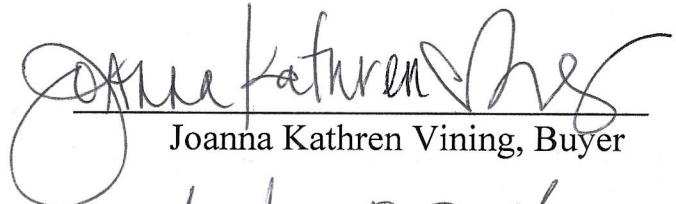
17. **ENTIRETY OF AGREEMENT.** This Contract contains the entire agreement between the parties and **NO ORAL REPRESENTATION, WARRANTY or COVENANT** exists. This Contract supersedes and nullifies any agreement (or offer or counteroffer) as may have been given or entered into by the parties prior to the date of the acceptance hereof.

18. **PERFORMANCE.** Except for acceptance (of offer or counteroffer), possession or counteroffer, whenever the time for performance falls upon a Saturday, Sunday, or state or federal holiday, the time for performance shall be extended to the next business day.

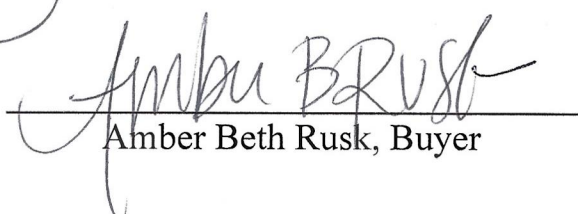
19. **TIME OF THE ESSENCE.** Time for performance of the obligations of the parties is of the essence of this Contract.

Dated this 26th day of March, 2022.


Andrew Schaar, Seller


Joanna Kathren Vining, Buyer


Kelley Schaar, Seller


Amber Beth Rusk, Buyer