

VILLAGE OF MT. ZION  
MACON COUNTY, ILLINOIS

Ordinance No.  
2022-1

AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A  
REDEVELOPMENT AGREEMENT FOR MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II  
AND MT. ZION BUSINESS DEVELOPMENT DISTRICT (BDD) NO. 1  
BY AND BETWEEN THE VILLAGE OF MT. ZION AND JENSEN DIESEL, LLC

CERTIFICATE

State of Illinois )  
                          )  
                          )  
County of Macon )

I, Dawn Reynolds, duly appointed Village Clerk of the Village of Mt. Zion, Macon County, State of Illinois, and as such, custodian of all Village records, do hereby certify that the attached Ordinance No. 2022-1, is a true and correct copy of AN APPROVED ORDINANCE OF THE VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS that was adopted by the Mt. Zion Village Board on January 18, 2022.

In witness whereof, I hereby set my hand and affix the seal of the Village of Mt. Zion on this 18<sup>th</sup> day of January, 2022.

Seal

  
\_\_\_\_\_  
Dawn Reynolds, Village Clerk

**ORDINANCE NO. 2022- 1**

**VILLAGE OF MT. ZION, ILLINOIS**

**AN ORDINANCE APPROVING AND AUTHORIZING  
THE EXECUTION OF A REDEVELOPMENT AGREEMENT  
for  
MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II  
and  
MT. ZION BUSINESS DEVELOPMENT DISTRICT (BDD) NO. 1**

**by and between**

**VILLAGE OF MT. ZION, ILLINOIS**

**and**

**JENSEN DIESEL, LLC**

**ADOPTED BY THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES  
OF THE VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS  
ON THE 18<sup>TH</sup> DAY OF JANUARY, 2022.**

ORDINANCE NO. 2022- 1

VILLAGE OF MT. ZION, ILLINOIS  
AN ORDINANCE APPROVING AND AUTHORIZING  
THE EXECUTION OF A REDEVELOPMENT AGREEMENT  
for  
MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II  
and  
MT. ZION BUSINESS DEVELOPMENT DISTRICT (BDD) NO. 1  
by and between  
THE VILLAGE OF MT. ZION  
and  
JENSEN DIESEL, LLC

**WHEREAS**, the Village President and Board of Trustees of the Village of Mt. Zion, Macon County, Illinois (the “Village”), have hereby determined that the Mt. Zion, Illinois Business Development District No. 1 Redevelopment Agreement by and between the Village of Mt. Zion and Jensen Diesel, LLC (the “Developer”) attached hereto as **Exhibit A** is in the best interest of the citizens of the Village of Mt. Zion.

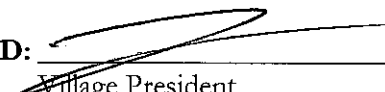
**NOW THEREFORE**, be it ordained by the Village President and Board of Trustees of the Village of Mt. Zion, Illinois, in the County of Macon, as follows:

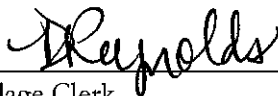
1. The Village of Mt. Zion, Illinois Rt. 121 TIF District II (the “TIF District”) and Business Development District No. 1 (the “Business Development District” or “BDD”) Redevelopment Agreement attached hereto as **Exhibit A** is hereby approved.
2. The Village President is hereby authorized and directed to enter into and execute on behalf of the Village said TIF and BDD Redevelopment Agreement and the Village Clerk of the Village of Mt. Zion is hereby authorized and directed to attest such execution.
3. The Redevelopment Agreement shall be effective the date of its approval on the 18<sup>th</sup> day of January, 2022.
4. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

*(The remainder of this page is intentionally blank.)*

**PASSED APPROVED AND ADOPTED** by the Village President and Board of Trustees of the Village of Mt. Zion this 18<sup>th</sup> day of January, 2022.

CORPORATE AUTHORITIES	AYE VOTE	NAY VOTE	ABSTAIN	ABSENT
Ellen Ritchie	x			
Mike Mose				x
Chris Siudyla	x			
Donna Scales	x			
Wendy Kernan	x			
Kevin Fritzsche	x			
Lucas Williams, President				
<b>TOTAL VOTES</b>	5			1

**APPROVED:**  \_\_\_\_\_, Date 1 / 18 / 2022  
 Village President

**ATTEST:**  \_\_\_\_\_, Date: 1 / 18 / 2022  
 Village Clerk

**ATTACHMENT:**

- EXHIBIT A.** Village of Mt. Zion, Illinois Rt. 121 TIF District II and Business Development District No. 1 Redevelopment Agreement by and between the Village of Mt. Zion and Jensen Diesel, LLC.

**REDEVELOPMENT AGREEMENT**  
for  
**MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II**  
and  
**MT. ZION BUSINESS DEVELOPMENT DISTRICT (BDD) NO. 1**

by and between

**VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS**

and

**JENSEN DIESEL, LLC**

**JANUARY 18, 2022**

**REDEVELOPMENT AGREEMENT**  
for  
**MT. ZION RT. 121 TAX INCREMENT FINANCING (TIF) DISTRICT II**  
and  
**MT. ZION BUSINESS DEVELOPMENT DISTRICT (BDD) NO. 1**  
by and between  
**VILLAGE OF MT. ZION, MACON COUNTY, ILLINOIS**  
and  
**JENSEN DIESEL, LLC**

**THIS AGREEMENT** (including Exhibits) is entered into this 18<sup>th</sup> day of January, 2022, by and between the **VILLAGE OF MT. ZION** (Village), an Illinois Municipal Corporation, Macon County, Illinois; and **JENSEN DIESEL, LLC**, an Illinois Limited Liability Company (the “Developer”).

**PREAMBLE**

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

**WHEREAS**, it is the intent of the Village to encourage economic development which will increase the real estate tax base as well as other revenue sources of the Village, which increased tax base will be used, in part, to finance incentives to assist development within the Redevelopment Project Area; and

**WHEREAS**, Illinois Statute (65 ILCS 5/8-1-2.5) allows a municipality to appropriate and expend funds for economic development purposes, including, without limitation, the making of grants for commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the municipality; and

**WHEREAS**, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et seq.*, as amended (the “TIF Act”), the Village has the authority to provide incentives to owners or prospective owners of real property to acquire, redevelop, rehabilitate and/or upgrade such property by reimbursing such owner(s) for certain costs incurred in connection with the acquisition, redevelopment, rehab and/or upgrades from increases in real estate tax revenues (“Tax Increment”) resulting therefrom or from other Village revenues to the extent specified and agreed herein; and

**WHEREAS**, on January 19, 2021 the Village established the Mt. Zion Rt. 121 Tax Increment Financing (TIF) District II (the “TIF District”), pursuant to the TIF Act by approving a Tax Increment Financing Plan and Projects (Ordinance No. 2021-1), designating a Redevelopment Project Area (Ordinance No. 2021-2), and adopting Tax Increment Financing (Ordinance No. 2021-3); and

**WHEREAS**, pursuant to Section 5/11-74.4-4 (b) of the TIF Act, the Village may make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others

necessary or incidental to the implementation and furtherance of the Redevelopment Project Area; and

**WHEREAS**, on September 14, 2020, pursuant to the Illinois Business District Development and Redevelopment Act (65 ILCS 5/11-74.3-1 *et seq.*), as amended (the “BDD Act”), the Village established the **Mt. Zion Business Development District No. 1** (the “Business District” or “BDD”) by Ordinance No. 2020-16; and

**WHEREAS**, pursuant to Section 5/11-74.3-3 of the BDD Act, the Village may make and enter into all contracts necessary or incidental to the implementation and furtherance of a business district plan, including reimbursements to developers who incur redevelopment project costs authorized by a redevelopment agreement and further defined in Section 5/11-74.3-5 of the BDD Act; and

**WHEREAS**, the TIF District and BDD consists of property to be acquired by the Developer located at 640 N State Highway 121 (PIN 12-17-03-301-008) (the “Property”); and

**WHEREAS**, the Developer intends to acquire the Property and construct a commercial building thereon for operation of a diesel mechanic shop (the “Project”) and is doing so based upon the expected availability of TIF real estate tax increment and BDD incentives offered by the Village; and

**WHEREAS**, the Project is consistent with the Mt. Zion Rt. 121 TIF District II Redevelopment Plan and Projects for the TIF District (the “TIF Plan”) and the Mt. Zion BDD No. 1 Redevelopment Plan and Projects for the BDD (the “BDD Plan”) and shall further conform to land use ordinances of the Village; and

**WHEREAS**, pursuant to Section 5/11-74.4-4 (j) and Section 5/11-74.4-3 (q) of the TIF Act and Section 5/11-74.3-3 of the BDD Act, the Village may incur project redevelopment costs and reimburse developers who incur redevelopment project costs authorized by a redevelopment agreement, including those estimated TIF and BDD Eligible Project Costs as herein listed in the attached “**Exhibit 1 - Estimated TIF & BDD Eligible Project Costs**” of this Agreement; and

**WHEREAS**, the Village has determined that the Project requires the incentives set forth herein and the Project will, as a part of the TIF District and BDD, promote the health, safety and welfare of the Village and its citizens by attracting private investment to prevent blight and deterioration and to provide employment for its citizens and generally to enhance the economy of the Village; and

**WHEREAS**, the Village has determined that the Project is desirable for economic development in the Village; and

**WHEREAS**, the Village has reviewed the conditions of the Property and has reason to believe that the costs of the necessary public and private improvements, including but not limited to the costs listed in “**Exhibit 1**” to be incurred by the Developer in furtherance of the Project are eligible projects costs under the TIF Act and BDD Act and are consistent with the TIF Plan and the BDD Plan of the Village; and

**WHEREAS**, the parties have agreed that the Village shall reimburse the Developer by segregating within the Mt. Zion Rt. 121 TIF District II Special Tax Allocation Fund **Eighty Percent (80%)** of the annual “net” incremental increase in real estate tax revenues derived from the Developer’s

project for reimbursement of the Developer's Estimated TIF Eligible Project Costs as set forth in "Exhibit 1" attached hereto, commencing with the tax year 2023 payable 2024 Real Estate Tax Increment generated by the Project and continuing for the remaining life of the TIF District or upon the Developer receiving the maximum reimbursement amount as set forth in "Exhibit 1" attached hereto, whichever occurs first; and

**WHEREAS**, the Developer has also requested that incentives for the Project be provided by the Village from a portion of new Retailers' Occupation Tax and/or Business District Service Occupation Tax that is attributable to such BDD Revenues that are generated solely by the Project through tax imposed by the Village within the BDD, and the Village has agreed to such incentives; and

**WHEREAS**, pursuant to the terms set forth in *Section C* below, the Parties have agreed that the Village shall also reimburse the Developer for a portion of its BDD Eligible Project Costs incurred for the Project; and

**WHEREAS**, the total cumulative reimbursements of Real Estate Tax Increment and BDD Revenues paid by the Village to the Developer for the Project shall not, in any event, exceed **Three Hundred Seventy-Seven Thousand One Hundred Eighty and 00/100 Dollars (\$377,180.00)**; and

**WHEREAS**, in consideration of the execution of this Agreement, the Developer will, subject to the terms of this Agreement, complete the Project; and

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

#### **A. STATEMENTS AND INCENTIVES**

1. The Village represents that the matters set forth in the recitals above are true and correct and are incorporated into this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the TIF Act and the BDD Act, unless indicated to the contrary. For purposes of this Agreement, the following definitions shall apply:
  - a. **"Business Development District (BDD) Revenues"**: For the purpose of this Agreement, Business District Revenues shall be defined as the rate of Business District Retailers' Occupation Tax and/or Business District Service Occupation Tax, and Hotel Operators' Occupation Tax that may be imposed on businesses located within the Business Development District pursuant to 65 ILCS 5/11-74.3-1 *et seq.*, which shall not exceed One Percent (1.0%) of all sales generated by the Developer's Project.
  - b. **"BDD Eligible Project Costs"** shall mean those costs eligible for reimbursement under the BDD Act, 65 ILCS 5/11-74.3-1 *et. seq.*, and are further described in "Exhibit 1" attached hereto.
  - c. **"Real Estate Tax Increment"** shall mean the annual ad valorem taxes, if any, arising from the tax levies upon the Project located on the Property by any and all taxing



districts having the power to tax real property in the TIF District, which taxes are attributable to the increase in the then current equalized assessed value of the Project located on the Property over and above the total initial equalized assessed value of the Property (based on the equalized assessed value for tax year 2017 payable in 2018), all as determined by the Macon County Clerk in accordance with Section 11-74.4-9 of the TIF Act.

- d. **“TIF Eligible Project Costs”** shall mean those costs which are eligible for reimbursement under the TIF Act, 65 ILCS 5/11-74.4 *et. seq.*, as amended, and are further described in **“Exhibit 1”** attached hereto.
3. The parties acknowledge and agree that:
    - a. The Developer owns or shall acquire the Property in advance of undertaking the Project and will improve the Property conditioned upon the availability of TIF and BDD incentives provided by the Village; and
    - b. The Developer requested that TIF incentives for the Project be provided by the Village from Real Estate Tax Increment and BDD Revenues generated from the Project, and the Village has agreed to such TIF and BDD incentives; and
    - c. The Parties have agreed that all reimbursements payable by the Village to the Developer for TIF and BDD Eligible Project Costs during the term of this Agreement shall not exceed the maximum cumulative reimbursement of **Three Hundred Seventy-Seven Thousand One Hundred Eighty and 00/100 Dollars (\$377,180.00)** as set forth herein, and shall be paid to the order of **Jensen Diesel, LLC** unless otherwise directed in writing to the Village by the Developer or assigned pursuant to **Section N** as herein provided.
  3. Except for variances approved by the Village, the Developer shall construct the Project in compliance with all municipal ordinances relating to property development, property condition, zoning, subdivision and building codes (collectively, the “Village Codes”). Failure to cure the violation of any such ordinance within thirty (30) days upon being provided written notice of the same by the Village shall be cause for the Village to declare the Developer in Default and unilaterally terminate this Agreement, except where such failure is not reasonably susceptible to cure within such 30-day period, in which case the Developer shall have such additional time to cure as is reasonably necessary, provided that the Developer has commenced such cure within such 30-day period and continues to diligently prosecute the same to completion.
  4. Each of the parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

## **B. ADOPTION OF TAX INCREMENT FINANCING**

The Village has created the TIF District and BDD which includes the Property and has approved certain TIF and BDD Eligible Project Costs, including those set forth in **“Exhibit 1”**, for the

Project.

### C. INCENTIVES

In consideration for the Developer's purchase of the Property and completion of the Project, the Village agrees to extend to Developer the following incentives to assist Developer's completion of the Project:

#### 1. REIMBURSEMENT OF TIF REAL ESTATE TAX INCREMENT:

- a. The Village shall annually reimburse the Developer **Eighty percent (80%)** of the Net Real Estate Tax Increment for the reimbursement of the Developer's TIF Eligible Project Costs, commencing with Real Estate Tax Increment derived from the real estate taxes assessed in year 2023 and paid in year 2024 and continuing annually for the remaining life of the TIF District, or until all TIF and BDD Eligible Project Costs ("**Exhibit 1**") are fully reimbursed, whichever occurs first. These funds are to be allocated to and when collected shall be paid to the Village Treasurer for deposit in a separate account within the Special Tax Allocation Fund for Mt. Zion Rt. 121 TIF District II designated as the "**Jensen Diesel, LLC Special Account**" (the "Special Account"). All monies deposited in the Special Account shall be used exclusively by the Village for the purposes set forth in this Agreement.
- b. Net Increment is defined as increases in annual real estate tax increment derived from the Project as described herein after payment for a proportionate amount of administrative fees and costs and payments pursuant to Village approved Intergovernmental Agreements for this TIF District. The Developer's proportionate share of the Village's annual administrative costs and fees is calculated by dividing the real estate increment generated by the Project for such year by the total real estate tax increment for such year and then multiplying that number by the Village's annual administrative fees and costs for such year.

#### 2. REIMBURSEMENT OF BDD REVENUES:

- a. To the extent the Developer has incurred BDD Eligible Project Costs as described in "**Exhibit 1**" which have been verified pursuant to **Section E** below, the Village shall reimburse the Developer **Eighty Percent (80%)** of the annual Business District Revenues generated by the Developer's Project and actually received by the Village from the Illinois Department of Revenue during the remaining life of the BDD (September 14, 2043), or until all TIF and BDD Eligible Project Costs ("**Exhibit 1**") are fully reimbursed, whichever occurs first.
  - i. Any payments determined to be due under this Section shall be reduced by the amount of any and all collection fees imposed upon the Village by the State of Illinois or the Illinois Department of Revenue for collection of the BDD Revenues. Payment shall be accompanied by a statement executed by the Village Treasurer or other appropriate official or officer, setting forth the calculation of such payment.

- ii. The reimbursement of BDD Revenues provided for hereunder shall be made annually on or before April 30<sup>th</sup> from the BDD Revenue received by the Village from the Developer's Project during the preceding calendar year.
  - iii. The Developer hereby agrees to cooperate and shall use its best efforts to have any commercial tenant located on the Property cooperate with the Village and complete and/or execute any forms or documents that are necessary for the Village and its consultants and its employees to calculate the sales tax revenue set forth in **Section E** below generated by any business located on the Property. The Developer, furthermore, hereby gives its consent to the Village to share such sales tax revenue information with any such consultants and/or employees as is necessary to administer and audit this Agreement.
3. The total cumulative reimbursements of Real Estate Tax Increment and BDD Revenues paid by the Village to the Developer for the Project shall not, in any event, exceed **Three Hundred Seventy-Seven Thousand One Hundred Eighty and 00/100 Dollars (\$377,180.00)**.

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

1. The Developer shall not be entitled to any other reimbursement by the Village for other TIF and BDD Eligible Project Costs beyond the maximum cumulative reimbursement of **Three Hundred Seventy-Seven Thousand One Hundred Eighty and 00/100 Dollars (\$377,180.00)** as set forth herein.
2. The Village is not obligated to use any of its proportionate share (i.e., the balance of real estate tax increment or BDD Revenues available after the reimbursement of Developer as required by the terms stated herein) of the monies for any of Developer's BDD Eligible Project Costs but, rather, the Village shall use its sums for any purpose under the Act as it may in its sole discretion determine.
3. Developer agrees to substantially complete the Project, which includes the construction of a commercial building for operation of a diesel mechanic shop, subject to Force Majeure, as defined below.

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

1. Payment to the Developer for TIF and BDD Eligible Project Costs as set forth by each respective Act shall be made by a Requisition for Payment of Private Development Redevelopment Costs ("**Exhibit 2**", "Requisition") submitted from time to time by Developer to the Village's TIF/BDD Administrator, Jacob & Klein, Ltd., with a copy to The Economic Development Group, Ltd. (collectively the "Administrator"), and subject to the Administrator's approval of the costs. Developer may submit verification of costs and request reimbursement at one time, or as Eligible Project Costs, as listed in "**Exhibit 1**", are incurred.
2. All Requisitions must be accompanied by verified bills or statements of suppliers, contractors, or professionals together with mechanic's lien waivers (whether partial or full) from each of the parties entitled to a payment that is the subject of the Requisition as required by the Village.

**DEVELOPER MUST VERIFY SUFFICIENT ELIGIBLE PROJECT COSTS NO LATER THAN MARCH 31<sup>ST</sup> OF EACH YEAR FOR VILLAGE TO EXTEND INCENTIVES PROVIDED FOR IN SECTION "C" RELATING TO TAXES RECEIVED BY THE VILLAGE IN THE PRIOR YEAR.** If there are no accumulated outstanding costs previously submitted and approved by the Village and if the Developer does not submit such proposed eligible costs by this deadline, the Developer will forfeit reimbursement of such costs from the prior year's Net Real Estate Tax Increment and/or BDD Revenues to be paid in the current year. Any approved Requisitions submitted after this deadline will be eligible for reimbursement from the next year's Net Real Estate Tax Increment and BDD Revenues.

- a. Subject to **Section C** and **Section E (2)** above, the reimbursement of **BDD Revenues** payable to the Developer pursuant to **Section C** above is subject to the following:
  - i. The Developer, or any of its successors or assignees, shall provide such information as is necessary to verify BDD Revenues generated by the Project located on the Property. The Developer agrees to provide, or cause any of its Tenants of the Project located on the Property (the "Taxpayers") to provide Authorization to Release Sales Tax Information to Local Governments or a successor form to the Village to enable it to obtain from the Illinois Department of Revenue (the "Department") verification of retail sales generated on the Property by any Taxpayer located thereon during the Term of this Agreement. "Taxpayers" are defined as parties who are required to file Department Form ST-1 Sales and Use Tax Returns, or comparable tax returns which may be substituted therefore with the State of Illinois.
3. In the event that the Developer is unable to arrange for the Department to report such information to the City, the Developer and any Taxpayer located in the Project located on the Property shall maintain and have available for inspection by the Village upon request copies of the forms submitted to the State with any non-applicable information redacted, if the Developer desires. Additionally, the Developer and any Taxpayer located in the Project located on the Property shall maintain and have available or cause to be maintained and available for inspection by the Village copies of any and all sales tax returns, sales tax reports, amendments, proof of payment or any other sales tax information filed with the State of Illinois or other appropriate governmental entity, which documents are being held available for the Village for purposes of identifying BDD Revenues collected pursuant to this Agreement. The parties acknowledge that the Village is required to report this Agreement electronically to IDOR within 30 days of approval.
4. The Developer shall use such sums as reimbursement for eligible expenses only to the extent permitted by law and the TIF Act and BDD Act and may allocate such funds for any purpose during the term of this Agreement or the terms of the respective TIF District and BDD Redevelopment Project Areas, whichever are longer.
5. The Administrator shall approve or disapprove a Requisition by written receipt to the Developer within thirty (30) business days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld. If a Requisition is disapproved by the Administrator, the reasons

for disapproval will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be reasonably required and the same procedures set forth herein shall apply to such re-submittals.

6. All TIF Eligible Project Costs or BDD Eligible Project Costs approved shall then be paid by the Village from the Special Account to the Developer, or to others as directed by Developer, pursuant to the TIF Redevelopment Plan and BDD Plan and as allowed by Illinois law. Village shall pay such approved eligible costs annually, provided the Developer has satisfied the terms of this Agreement and costs which exceed the amount available to pay Developer shall carry forward, until paid, without further action of Developer. Payment shall be made within forty-five (45) days after approval subject to the terms of this Agreement and after receipt of the Real Estate Tax Increment generated by the Project from Macon County.
7. The Parties acknowledge that the determination of TIF and BDD Eligible Project Costs and, therefore, qualification for reimbursement hereunder, are subject to changes or interpretation made by amendments to the TIF Act and BDD Act, administrative rules, or judicial interpretation during the term of this Agreement. The Village has no obligation to the Developer to attempt to modify those decisions, however it will assist the Developer in every respect as to obtaining approval of TIF Eligible Project Costs.
8. The Developer may submit for prior approval of estimated TIF or BDD Eligible Project Costs by the Village before they are incurred subject to later confirmation by actual bills.

#### **F. VERIFICATION OF REAL ESTATE TAX INCREMENT**

1. It shall be the sole responsibility of the Developer or its designee to provide to the Village, as requested in writing, copies of all PAID real estate tax bills, annually, for the Property.
2. The failure of Developer to provide any information required herein after written notice from the Village, and the continued failure to provide such information within thirty (30) days after such notice, shall be considered a material breach of this Agreement and shall be cause for the Village to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

#### **G. REIMBURSEMENT OF THE DEVELOPER'S SHARE OF TAX OBJECTION REFUNDS.**

1. If a refund of tax increment (including any accrued statutory interest thereon) is potentially due from the Village's TIF Fund as the result of any tax objection, assessment challenge, filing for a property tax exemption under Section 200/15-86 of the Illinois Property Tax Code or appeal to the Illinois Property Tax Appeal Board (PTAB), issuance of a certificate of error or other such action, including any appeals therefrom, concerning the potential reduction of assessed value of the Property, the Village may at its sole discretion withhold the Developer's share of any such possible refund (including any accrued statutory interest thereon) from future reimbursements calculated to be paid to the Developer under this Agreement. Furthermore, the Developer is hereby obligated to provide written notice to the Village within five (5) business days of its filing any such objection, assessment challenge or formal appeal to the PTAB or other such action,

including any appeals therefrom, that could potentially reduce the assessed value of the Property. Failure to provide such notice shall be considered a breach of this Agreement and shall be cause for the Village to deny payments hereunder to the Developer.

2. Any funds withheld by the Village under this *Section G* shall be deposited by it into a separate interest-bearing bank account. Upon final determination of the assessed value of the Property, the Village shall pay to the Developer the principal amount due under this Agreement as recalculated. The Village shall be entitled to retain any interest earned on the account as partial payment for the administration of the account due to the delay of the determination of the final evaluation and recalculation of the benefits due the Developer under this Agreement.
3. If it appears to the Village that it will be unable to recover the Developer's share of any such refund (including any accrued statutory interest thereon) from the remaining future reimbursements due the Developer under this Agreement, the Developer shall reimburse the Village for the Developer's remaining unpaid share of such refund within thirty (30) days upon receiving written demand of the same from the Village.
4. Notwithstanding anything contained in this Agreement to the contrary, the obligations contained in this *Section G* shall remain in effect for the remaining life of the TIF District, whether the TIF District expires upon the current expiration of the Redevelopment Plan and Projects adopted by the Village (tax year 2044 payable 2045) at an earlier time if the Village passes an ordinance terminating the TIF District; or at a later time if the TIF District is legislatively extended. Furthermore, the obligations set forth in this Section G shall survive the expiration of the TIF District if a tax objection or other such action taken by the Developer is pending prior to the expiration of the TIF District and shall continue until final disposition of such action.

#### **H. LIMITED OBLIGATION**

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

#### **I. VILLAGE PUBLIC PROJECTS**

The Village intends to use part or all of the Village's share of the Real Estate Tax Increment and BDD Revenues for other public projects within the respective TIF and BDD Redevelopment Project Areas. The Village shall be eligible for reimbursement of the costs of doing so, as well as other eligible costs incurred by the Village of the TIF District.

#### **J. LIMITED LIABILITY OF VILLAGE TO OTHERS FOR DEVELOPER'S EXPENSES**

There shall be no obligation by the Village to make any payments to any person other than the Developer, or its authorized designee, nor shall the Village be obligated to make direct payments to any

other contractor, subcontractor, mechanic or materialman providing services or materials to Developer for the Project.

### **K. COOPERATION OF THE PARTIES**

1. The Village and the Developer shall reasonably cooperate with each other when requested to do so concerning the development of the Project. This includes without limitation the Village assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, subsidy or additional funding which may be available from other governmental sources as the result of the Developer's or Village's activities. This also includes without limitation the Developer assisting or sponsoring the Village, or agreeing to jointly apply with the Village, for any grant, award, or subsidy which may be available as the result of the Village's or Developer's activities.
2. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions, and certifications (and, in the Village's case, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions, and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions, and intent.
3. The Parties shall reasonably cooperate with each other in seeking from any or all appropriate governmental bodies all approvals (whether federal, state, county, or local) required or useful for the construction or improvement of property and facilities in and on the Property or for the provision of services to the Property, including, without limitation, wetland mitigation, gas, telephone, and electric utility services, roads, highways, and rights-of-way, water and sanitary sewage facilities, and storm water disposal facilities.

### **L. DEFAULT; CURE; REMEDIES**

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

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

not be deemed to be in default if it commences curing within such thirty (30) day period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

#### **M. TIME; FORCE MAJEURE**

For this Agreement, time is of the essence; provided, however, Developer and Village shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if Developer or Village fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruptions of power, condemnation, riots, insurrections, war, fuel shortages, pandemic or other public health disaster if declared by a State or Federal official with legal authority for such declaration, Acts of God, acts caused directly or indirectly by the Village (or Village's agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or Village.

#### **N. ASSIGNMENT**

The rights (including, but not limited to, the right to payments contemplated by *Section C* of this Agreement,) and obligations (or either of them) of the Developer under this Agreement shall be fully assignable by the Developer provided written notice is provided to the Village and Village's consent is obtained prior to such assignment. The Village's consent shall not be unreasonably withheld provided that the nature of the Project is not substantially changed, and further provide the assignee is financially capable of fulfilling the obligations of the assignor. Further, no such assignment shall be deemed to release the assignor of its obligations to the Village under this Agreement unless the consent of the Village to the release of the assignor's obligations is first obtained, and the nature of the Developer's Redevelopment Project shall not be substantially changed.

#### **O. WAIVER**

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right of remedy does so in writing. No such waiver shall obligate such party to waive any right of remedy hereunder or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

#### **P. SEVERABILITY**

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

#### **Q. NOTICES**

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3<sup>rd</sup>) day from and including the date of posting, if mailed by registered or



certified mail, return receipt requested, with postage prepaid addressed as follows:

**TO VILLAGE:**

**Village of Mt. Zion**  
% Village Clerk  
1400 Mt. Zion Parkway  
Mt. Zion, IL 62549  
Telephone: (217) 864-5424  
Fax: (217) 864-5935

*With copy to:*

Jacob & Klein, Ltd.  
The Economic Development Group, Ltd.  
1701 Clearwater Avenue  
Bloomington, IL 61704  
Telephone: (309) 664-7777  
Fax: (309) 664-7878

**TO DEVELOPER:**

**Jensen Diesel, LLC**  
% Dylan Jensen  
2902 S Long Creek Road  
Decatur, IL 62549  
Telephone: (217) 412-1114  
Email: [10djensen@gmail.com](mailto:10djensen@gmail.com)

*With copy to:*

**R. SUCCESSORS IN INTEREST**

Subject to the provisions of **Section N**, above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**S. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED**

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

**T. TERM OF THE AGREEMENT**

This Agreement shall expire upon the current expiration of the TIF Plan adopted by the Village, tax year 2044 payable 2045, or sooner if the Developer has received all incentives included herein.

**U. WARRANTY OF SIGNATORIES**

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

**V. INDEMNIFICATION OF VILLAGE**

All fixed works constructed or demolished by any public body or paid for wholly or in part out of public funds are subject to the Prevailing Wage Act (the "PWA Act" 820 ILCS 130/0.01 et. Seq.). However, it is the understanding of the Parties that the position of the Illinois Department of Labor is that "funds received from Tax Increment Financing do not qualify as "public funds." A private project that is funded by means of TIF financing...is not covered by the Prevailing Wage Act unless it also receives funding from another source which does qualify as public funds." This position of the

Department of Labor is stated as an answer to a FAQ on its website at: <https://www2.illinois.gov/idol/FAQs/Pages/prevailing-wage-faq.aspx>. The Developer shall indemnify and hold harmless the Village, and all Village elected or appointed officials, officers, employees, agents, representatives, engineers, consultants, and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Illinois Prevailing Wage Act (820 ILCS 130/0.01 *et. seq.*), the Illinois Procurement Code, and/or any similar State or Federal law or regulation. In addition, the Developer agrees to indemnify and hold harmless the Village for any claim asserted against the Village arising from the Developer's Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to Developer hereunder. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of Village, including but not limited to the reasonable attorney fees of the Village. Notwithstanding anything to the contrary set forth herein, the Developer shall be entitled to select defense counsel of its choosing in connection with the defense of any such claim and/or action.

### W. COUNTERPARTS

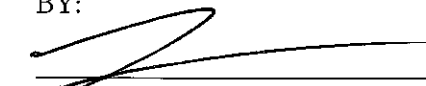
This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all Parties had executed the same page.

EACH PARTY ACKNOWLEDGES THAT, IN EXECUTING THIS AGREEMENT, SUCH PARTY HAS HAD THE OPPORTUNITY TO SEEK THE ADVICE OF INDEPENDENT LEGAL COUNSEL AND HAS READ AND UNDERSTOOD ALL OF THE TERMS AND PROVISIONS OF THIS AGREEMENT. THIS AGREEMENT SHALL NOT BE CONSTRUED AGAINST ANY PARTY BY REASON OF THE DRAFTING OR PREPARATION HEREOF AND THE SIGNATORIES OF THE PARTIES HEREBY WARRANT FULL AUTHORITY TO BOTH EXECUTE THIS AGREEMENT AND TO BIND THE ENTITY IN WHICH THEY ARE SIGNING ON BEHALF OF.

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

**VILLAGE OF MT. ZION,**  
an Illinois Municipal Corporation

BY:

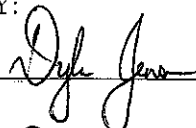
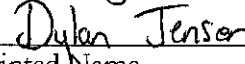
  
\_\_\_\_\_  
Village President, Village of Mt. Zion

ATTEST:

  
\_\_\_\_\_  
Village Clerk

**JENSEN DIESEL, LLC,** an Illinois Limited Liability Company

BY:

  
\_\_\_\_\_  
  
\_\_\_\_\_  
Printed Name

Title: Owner

**EXHIBIT 1**

**SUMMARY OF ESTIMATED TIF & BDD ELIGIBLE PROJECT COSTS**

**JENSEN DIESEL, LLC**

**Mt. Zion Rt. 121 TIF District II in the Village of Mt. Zion, Macon County, Illinois**

**Project Description:** The Developer intends to acquire the Property and construct a commercial building for operation of a diesel mechanic shop.

**Location:** 640 N State Highway 121

**PIN:** 12-17-03-301-008

**Estimated TIF & BDD Eligible Project Costs:**

Land and Building Acquisition .....	\$150,000
Site Preparation/Clearing/Demolition/Grading.....	\$45,000
Professional Fees (Planning, Engineering, Architectural, Legal, Accounting, Financial) .....	\$35,000
Public Infrastructure Improvements .....	\$30,000
Extension of Utilities.....	\$5,000
Interest ( <i>up to 30% of total incurred for the Project</i> ).....	<u>\$112,180</u>
<b>Total <i>Estimated</i> TIF &amp; BDD Eligible Project Costs .....</b>	<b>\$377,180</b>

**EXHIBIT 2**  
**PRIVATE PROJECT**  
**REQUEST FOR VERIFICATION OF TIF AND BDD ELIGIBLE PROJECT COSTS**  
**BY JENSEN DIESEL, LLC**

Date submitted: \_\_\_\_\_

Attention: Village of Mt. Zion, IL TIF & BDD Administrator

Re: TIF and BDD Redevelopment Agreement dated January 18, 2022 by and between the Village of Mt. Zion and Jensen Diesel, LLC (the “Developer”).

The Village of Mt. Zion is hereby requested to disburse funds from the Special Tax Allocation Fund or BDD Revenues pursuant to the above referenced Redevelopment Agreement in the following amount(s) to the Developer and for the purpose(s) set forth in this Request for Verification of the Developer’s TIF and BDD Eligible Project Costs. The terms used herein shall have the same meanings as those terms in the Redevelopment Agreement.

1. Request No. \_\_\_\_\_
2. Reimbursement payable to: Jensen Diesel, LLC
3. Amounts requested to be reimbursed (*attach additional pages, if necessary*):

Description of Developer’s Eligible Project Cost	Amount
<b>TOTAL:</b>	

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

- a. the amounts included in (3) above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the Village Codes; and
  - b. the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for Developer's TIF and BDD Eligible Project Costs; and
  - c. the expenditures for which amounts are requested represent proper redevelopment project costs as identified in the "Limitation of Incentives to Developer" described in **Section D** of the Redevelopment Agreement: have not been included in any previous Request for Reimbursement; have been properly recorded on the Developer's books; are set forth with invoices attached for all sums for which reimbursement is requested; and proof of payment of the invoices; and
  - d. the amounts requested are not greater than those necessary to meet obligations due and payable or to reimburse the Developer for its funds actually advanced for redevelopment project costs; and
  - e. the Developer is not in default under the Redevelopment Agreement, and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.
  - f. Any violation of this oath shall constitute a default of the Redevelopment Agreement and shall be cause for the Village to unilaterally terminate the Redevelopment Agreement.
6. Attached hereto is a copy of **"Exhibit 1"** of the Redevelopment Agreement, together with copies of **invoices and proof of payment** of such invoices, including cancelled checks and/or any lien waivers (to the extent applicable) relating to all items for which reimbursement is being requested.

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

Title: \_\_\_\_\_

REVIEWED BY MT. ZION TIF & BDD ADMINISTRATOR

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

Title: \_\_\_\_\_ Date: \_\_\_\_\_

APPROVED BY VILLAGE OF MT. ZION, ILLINOIS

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

Title: \_\_\_\_\_ Date: \_\_\_\_\_