

SUSANA A. MENDOZA
ILLINOIS STATE COMPTROLLER

Name of Municipality:	Village of Morton Grove	Reporting Fiscal Year:	2022
County:	Cook	Fiscal Year End:	12/31/2022
Unit Code:	016/365/32		

FY 2022 TIF Administrator Contact Information-Required


First Name:	Ralph	Last Name:	Czerwinski		
Address:	6101 Capulina	Title:	Village Administrator		
Telephone:	847-965-4100	City:	Morton Grove	Zip:	60053
E-mail	rczerwinski@mortongroveil.org				

I attest to the best of my knowledge, that this FY 2022 report of the redevelopment project area(s)

in the City/Village of:

Morton Grove

is complete and accurate pursuant to Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] and or Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.].


Written signature of TIF Administrator

09/28/2023
Date

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

FILL OUT ONE FOR EACH TIF DISTRICT

[illegible]

*All statutory citations refer to one of two sections of the Illinois Municipal Code: The Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

Primary Use of Redevelopment Project Area*:	Combined/Mix
*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.	
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act	<input checked="" type="checkbox"/>
Industrial Jobs Recovery Law	

Please utilize the information below to properly label the Attachments.

	No	Yes
For redevelopment projects beginning prior to FY 2022, were there any amendments, to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment (labeled Attachment A). For redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).	X	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached (labeled Attachment J).	X	
An analysis prepared by a financial advisor or underwriter, <u>chosen by the municipality</u> , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; <u>and actual debt service</u> . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter <u>MUST</u> be attached (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (labeled Attachment M).	X	
For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality. If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).	N/A	N/A

SECTION 3.1 [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)) and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

Provide an analysis of the special tax allocation fund.

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 16,105,442

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 3,917,371	\$ 46,052,559	97%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 33,183	\$ 1,320,279	3%
Land/Building Sale Proceeds	\$ 35,377	\$ 35,377	0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

All Amount Deposited in Special Tax Allocation Fund \$ 3,985,931.00

Cumulative Total Revenues/Cash Receipts \$ 47,408,215 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 2,332,567.00

Transfers to Municipal Sources \$ 12,113,404

Distribution of Surplus

Total Expenditures/Disbursements \$ 14,445,971

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ (10,460,040)

Previous Year Adjustment (Explain Below)

FUND BALANCE, END OF REPORTING PERIOD* \$ 5,645,402

* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

Previous Year Explanation:

SECTION 3.2 A [65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c)]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

PAGE 1

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Professional Services	2,826	
Dues & Subscriptions	8,726	
		\$ 11,552
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
Fire Station #4 Remodel	167,830	
		\$ 167,830
6. Costs of the construction of public works or improvements.		
Dempster Streetscape Improvements	156,874	
Woodlands Triangle	7,899	
		\$ 164,773

SECTION 3.2 A

PAGE 2

7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.		
		\$ -
9. Financing costs.		
Bond & Interest Payments	791,800	
		\$ 791,800
10. Capital costs.		
		\$ -
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		\$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		\$ -

SECTION 3.2 A
PAGE 3

PAGE 3		
13. Relocation costs.		
		\$ -
14. Payments in lieu of taxes.		
		\$ -
15. Costs of job training, retraining, advanced vocational or career education.		
		\$ -
16. Interest cost incurred by redeveloper or other nongovernmental persons in connection with a redevelopment project.		
		\$ -
17. Cost of day care services.		
		\$ -
18. Other.		
Revenue Sharing Agreement (The Homestead)	203,964	
Transfer of Land Ownership	1,259,715	
Return of Escrow Funds	(267,067)	
		\$ 1,196,612
TOTAL ITEMIZED EXPENDITURES		\$ 2,332,567

Section 3.2 B [Information in the following section is not required by law, but may be helpful in creating fiscal transparency.]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

[illegible]

SECTION 3.3 [65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source

FUND BALANCE BY SOURCE

\$ 5,645,402

1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
TIF Taxable Note - Northern Trust final payment 2009	\$ 800,000	
TIF Taxable Note - LaSalle Bank final payment 2009	\$ 2,625,000	
Taxable 2009B G.O.Note - Park Ridge Bank final pyament 2011	\$ 2,685,000	
Tax Exempt 2007 G.O. Bond final pyament in 2024 - Refunded	\$ 9,200,000	
Tax Exempt 2015 G.O. Bond final payment in 2029	\$ 5,130,000	\$ 1,500,000
Total Amount Designated for Obligations	\$ 20,440,000	\$ 1,500,000

2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
Economic Development Support		\$ 5,300,000
Municipal Infrastructure & Facilities		\$ 2,000,000
Total Amount Designated for Project Costs		\$ 7,300,000

TOTAL AMOUNT DESIGNATED	\$ 8,800,000
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SURPLUS/(DEFICIT)	\$ (3,154,598)
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SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.

X	Indicate an 'X' if no property was acquired by the municipality within the redevelopment project area.
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Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

SECTION 5 [20 ILCS 620/4.7 (7)(F)]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

PAGE 1

Page 1 MUST be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.

Select ONE of the following by indicating an 'X':

1. <u>NO</u> projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality <u>DID</u> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The total number of <u>ALL</u> activities undertaken in furtherance of the objectives of the redevelopment plan:	3

LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:

TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 111,173,345	\$ 4,500,000	\$ 115,673,345
Public Investment Undertaken	\$ 6,531,700	\$ 250,000	\$ 6,781,700
Ratio of Private/Public Investment	17 2/97		17 3/53

Project 1 Name: The Woodlands

Private Investment Undertaken (See Instructions)	\$ 98,413,345		\$ 98,413,345
Public Investment Undertaken	\$ 5,000,000		\$ 5,000,000
Ratio of Private/Public Investment	19 43/63		19 43/63

Project 2 Name: Lexington Walk

Private Investment Undertaken (See Instructions)	\$ 12,300,000		\$ 12,300,000
Public Investment Undertaken	\$ 1,431,700		\$ 1,431,700
Ratio of Private/Public Investment	8 13/22		8 13/22

Project 3 Name: P&P Properties

Private Investment Undertaken (See Instructions)	\$ 460,000	\$ 4,500,000	\$ 4,960,000
Public Investment Undertaken	\$ 100,000	\$ 250,000	\$ 350,000
Ratio of Private/Public Investment	4 3/5		14 6/35

Project 4 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 5 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 6 Name:

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

SECTION 6 [Information requested in SECTION 6.1 is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.

SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

SECTION 6.1-For redevelopment projects beginning before FY 2022, complete the following information about job creation and retention.

Number of Jobs Retained	Number of Jobs Created	Job Description and Type (Temporary or Permanent)	Total Salaries Paid
			\$ -

SECTION 6.2-For redevelopment projects beginning in or after FY 2022, complete the following information about projected job creation and actual job creation.

The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement	The number of jobs, if any, created as a result of the development to date, for the reporting period, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement

SECTION 6.3-For redevelopment projects beginning in or after FY 2022, complete the following information about increment projected to be created and actual increment created.

The amount of increment projected to be created at the time of approval of the redevelopment agreement	The amount of increment created as a result of the development to date, for the reporting period, using the same assumptions as was used for the projections used at the time of the approval of the redevelopment agreement

SECTION 6.4-For redevelopment projects beginning in or after FY 2022, provide the stated rate of return identified by the developer to the municipality and verified by an independent third party, if any:

SECTION 7 [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

FY 2022

Name of Redevelopment Project Area:

Lehigh Ferris

Provide a general description of the redevelopment project area using only major boundaries.

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

FY 2022

Lehigh Ferris

Year of Designation	Base EAV	Reporting Fiscal Year EAV
2000	\$ 14,743,872	\$ 45,380,106.00

☐ Indicate an 'X' if the overlapping taxing districts did not receive a surplus.

[illegible]

Lehigh-Ferris Tax Increment Financing Redevelopment District Certificate of Compliance

REPORT PERIOD: January 1, 2022 to December 31, 2022

DATE OF REPORT: September 26, 2023

In accordance with the Tax Increment Allocation Redevelopment Act of the State of Illinois (65 ILCS 5/11-74.4), I am submitting this certified statement as to the following:

I have reviewed the audit performed by Lauterbach & Amen LLP on behalf of the Village of Morton Grove as well as public records, proceedings, and documents regarding the Lehigh-Ferris Tax Increment Financing District. Based upon this review, I certify the Village of Morton Grove is in full compliance with the Act.

Sincerely,



Daniel DiMaria
Village President

Cc: Village Board of Trustees

C:\Users\skoya\AppData\Local\Microsoft\Windows\INetCache\Content.Outlook\XIO8JN68\2022 Mayors Cert - Lehigh-Ferris TIF.docx

September 26, 2023

The Honorable Daniel DiMaria, Mayor
Village of Morton Grove
6101 Capulina Avenue
Morton Grove, IL 60053

**RE: Audit of the Financial Statements
Fiscal Year ending December 31, 2022
Lehigh-Ferris Tax Increment Financing Redevelopment District**

Dear Mayor DiMaria:

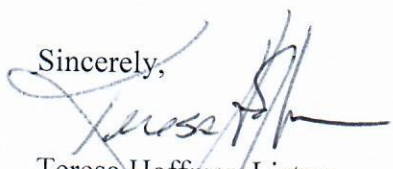
OPINION OF CORPORATION COUNSEL

I, Teresa Hoffman Liston, Corporation Counsel for the Village of Morton Grove, Cook County, Illinois, was the Corporation Counsel for the fiscal year beginning January 1, 2022, and ending December 31, 2022, and have reviewed information provided to me by the Village's administration and staff pertaining to the Lehigh-Ferris Tax Increment Financing Redevelopment Project Area.

Based solely upon the information with which I have been provided and without making any independent review or investigation of that information, and relying on the accuracy, authenticity, and genuineness of all of the said information provided, it is my opinion that, as to the matters of which I am aware and have been specifically brought to my attention, the Village of Morton Grove, Cook County, Illinois has complied with the requirements of the Illinois Tax Increment Redevelopment Allocation Act (65 ILCS 5/11-74.4-1 et. seq.).

This opinion relates only to the time period of this report and is based upon the information with which I have been provided by the Village's administration and staff.

Sincerely,



Teresa Hoffman Liston
Corporation Counsel

Cc: Village Board of Trustees

**AN ECONOMIC INCENTIVE AND
TAX INCREMENT ALLOCATION FINANCING DEVELOPMENT AGREEMENT
BY AND BETWEEN THE VILLAGE OF MORTON GROVE, ILLINOIS
AND P & P PROPERTIES, LLC**

THIS ECONOMIC INCENTIVE AND TAX INCREMENT ALLOCATION FINANCING DEVELOPMENT AGREEMENT ("Agreement") is dated 30th day of August 2022 and is by and between the VILLAGE OF MORTON GROVE, an Illinois municipal corporation ("Village"), and P & P Properties, LLC, c/o John Park, 1625 N. Milwaukee Avenue, Glenview, Illinois 60025 ("Developer"). The Village and Developer are collectively referred to as the "Parties".

IN CONSIDERATION OF the recitals and the mutual covenants and agreements set forth in this Agreement, the Parties agree as follows:

SECTION 1. RECITALS.

A. The Village has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety, and welfare of the Village and its residents, to prevent the spread of blight, to encourage private development in order to enhance the local tax base, to increase employment, and to enter into contractual agreements with developers and redevelopers for the purpose of achieving such objectives.

B. The Village is authorized under the provisions of Art. VII, Section 10 of the State of Illinois Constitution, 1970, to contract and otherwise associate with individuals, associations, and corporations in any manner not prohibited by law.

C. The Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, as amended, 65 ILCS 5/11-74.4-1 et seq. ("the Act"), to finance redevelopment projects in accordance with and pursuant to the Act.

D. The Village is authorized under the provisions of the Illinois Municipal Code 65 ILCS 5/8-11-20 to enter into an economic incentive agreement relating to the development or redevelopment of land within the corporate limits of the municipality.

E. The Developer is a Limited Liability Company and its Chairperson is John Park. The Developer has successfully constructed developments in the United States.

F. On January 24, 2001, the Village, pursuant to and in accordance with the Act, adopted (i) Ordinance No. 00-01 approving a Tax Increment Redevelopment Plan and a Tax Increment Redevelopment Project, (ii) Ordinance No. 00-02 designating a Tax Increment Redevelopment Project Area, and (iii) Ordinance No. 00-03 adopting Tax Increment Allocation Financing (collectively, "TIF Ordinances"), which established the Lehigh Ferris Tax Increment Finance Redevelopment Project Area ("TIF District").

G. The Developer owns the following parcels of land within the TIF District, collectively known as "the Developer's Property":

1. Approximately 0.195 acres of land commonly known as 8721 Narragansett Avenue, Morton Grove, Illinois ("8721 Narragansett"). The legal description and Property Index Numbers ("PINs") of 8721 Narragansett are set forth in Exhibit A. 8721 Narragansett is currently vacant.

2. Approximately 0.084 acres of land commonly known as 8735 Narragansett Avenue, Morton Grove, Illinois ("8735 Narragansett"). The legal description and PINs of 8735 Narragansett are set forth in Exhibit B. 8735 Narragansett is currently vacant.

H. The Village owns the following parcels of land within the TIF District, collectively known as "the Village Property":

1. Approximately 0.279 acres of land commonly known as 8720 through 8726 Ferris Avenue, Morton Grove, Illinois ("8720-26 Ferris"). The legal description and PINs of 8720-26 Ferris are set forth in Exhibit C. 8720-26 Ferris is currently vacant.
2. Approximately 0.025 acres of public alley right of way located immediately north of Hennings Court, between Narragansett Avenue and Ferris Avenue, Morton Grove, Illinois ("the Alley"). The legal description of the Alley is set forth in Exhibit D.
3. Approximately 0.084 acres of land commonly known as 8733 Narragansett Avenue, Morton Grove, Illinois ("8733 Narragansett"). The legal description and PINs of 8733 Narragansett are set forth in Exhibit E. 8733 Narragansett is currently vacant.

I. Collectively, 8721 Narragansett, 8720-26 Ferris, and the Alley are "the Townhome Property." Collectively, 8733 Narragansett and 8735 Narragansett are "the Duplex Property." Collectively, the Townhome Property and the Duplex Property are "the Property."

J. The Townhome Property and the Duplex Property are located entirely within the corporate limits of the Village and are in a C-1 General Commercial District.

K. The Village proposes to sell 8720-26 Ferris and the Alley to the Developer so long as the Developer agrees to develop, construct, operate, and maintain ten (10) townhomes, ten (10) accessory surface parking spaces, and an accessway serving the development and connecting to the existing alley network, all within the Townhome Property. Collectively, the townhome development and its operation and maintenance are "the Townhome Development".

L. The Developer is willing to purchase 8720-26 Ferris and the Alley and provide the Townhome Development on the Property, but only if the Village provides certain economic incentives as further described in this Agreement.

M. The Village proposes to sell 8733 Narragansett to the Developer so long as the Developer agrees to develop, construct, operate, and maintain one (1) duplex containing two (2) attached dwellings and driveways connecting to the existing alley network, all within the Duplex Property. Collectively, the duplex development and its operation and maintenance are "the Duplex Development."

N. The Developer is willing to purchase 8733 Narragansett and provide the Duplex Development on the Duplex Property, but only if the Village provides certain economic incentives as further described in this agreement.

O. Collectively, the Townhome Development and Duplex Development are "the Development."

P. The Developer has represented to the Village that, without the cooperation of the Village and the economic incentives provided for in this Agreement, the Development is not economically feasible, and the Developer would not undertake the Development.

Q. The Development is an important project to meet the overall objectives of the Lehigh Ferris TIF District, thereby implementing and bringing to a completion a significant portion of the TIF Plan.

R. The Village desires to have the Property developed in accordance with and pursuant to this Agreement to clear the blighting factors and characteristics of the TIF District, to promote the health, safety, and welfare of the Village and its residents, to encourage further private investment and development, enhance the Village's tax base, increase employment opportunities for Village residents, and enhance the future tax revenues for those overlying taxing bodies who levy against the Property, and within the TIF District.

S. The Village specifically finds pursuant to 65 ILCS 5/8-11-20 that:

1. 8721 Narragansett, 8733 Narragansett, and 8735 Narragansett have remained vacant for at least one year;
2. 8720-26 Ferris and the Alley are currently partially improved with parking lot and alley facilities, and have been significantly underutilized for a period of at least one year;
3. The Development is expected to create or retain job opportunities within the Village;
4. The Development will serve to promote the development of adjacent areas;
5. Without this Agreement, the Development would not be possible;
6. The Developer meets high standards of creditworthiness and financial strength as demonstrated by a letter from a financial institution with assets;
7. The Development will strengthen the residential sector of the Village;
8. The Development will enhance the tax base of the Village; and
9. This Agreement is made in the best interest of the Village.

T. The foregoing recitals are material to this Agreement and are incorporated into and made a part of this Agreement.

SECTION 2. LAND ENTITLEMENT.

A. Approval of Vacation. On May 23, 2022, the Village adopted Ordinance No. 22-06 approving a Plat of Vacation for the Alley and authorizing the vesting of title to the abutting property owners or as otherwise authorized by the Village Administrator or his/her designee. Upon the execution of the Agreement, title of the Alley shall be vested to the owner of the abutting property at 8720-8724 Ferris Avenue (PIN 10-20-100-024-0000, 10-20-100-023-0000, 10-20-100-022-0000). The Developer shall take all actions necessary to comply with its obligations pursuant to Ordinance No. 22-06 and its obligations in accordance with Section 12-9-5 of the Unified Development Code including causing the vacation to be recorded within 30 days of execution of this agreement and paying all costs associated with the recordation.

B. Approval of Special Use Permit and Preliminary Plat of Subdivision for Townhome Development. On May 23, 2022, the Village adopted Ordinance No. 22-07 approving for the Townhome Property a Preliminary Plat of Subdivision and a Special Use Permit for ten (10) townhomes with variations to select requirements of the Unified Development Code. The Final Plat

of Subdivision ("Final Plat") shall be consistent with Ordinance No. 22-07. The Developer shall take all actions necessary to comply with its obligations pursuant to Ordinance No. 22-07 and its obligations in accordance with Section 12-8-3 of the Unified Development Code so the Final Plat will be approved and recorded.

C. Approval of Special Use Permit for Duplex Development. On May 23, 2022, the Village adopted Ordinance No. 22-08 approving for the Duplex Property a Special Use Permit for two (2) attached single-family residences with variations to select requirements of the Unified Development Code. The Developer shall take all actions necessary to comply with its obligations pursuant to Ordinance No. 22-08.

D. Future Subdivision. Any proposed subdivision of the Townhome Property after the Final Plat of Subdivision is recorded shall comply in all respects with the Requirements of Law, including without limitation Chapter 12-8 of the Unified Development Code, and may require an amendment to the Special Use Permits and this Agreement. No part of the Townhome Property may be withdrawn from the Special Use Permit or this Agreement without express written approval of the Corporate Authorities.

SECTION 3. DEVELOPER'S OBLIGATIONS.

A. Purchase of 8720-26 Ferris, the Alley, and 8733 Narragansett. The Developer agrees to enter into a contract with the Village for the purchase of 8720-26 Ferris, the Alley, and 8733 Narragansett for the price of \$460,000.00 in substantial conformity with the terms and conditions set forth in that contract attached hereto as Exhibit F. \$40,000.00 shall be due and payable to the Village at the date of closing ("Closing Date"). Developer will sign a note and mortgage in favor of the Village for \$420,000.00. The interest on the principal balance shall accrue at the rate of 7% per annum from the Closing Date until paid or forgiven. Except in the case of a default by the Developer, no payments shall be due to the Village for the first two (2) years after the Closing Date. The closing shall occur within ten (10) business days after the approval by the Village Administrator and all governmental and quasi-governmental agencies, authorities, commissions, or other bodies with jurisdiction of all building and zoning permits which are required for the construction of the improvements of the Development and the permits have been issued, including registration of contractors and payment of permit fees, or sooner upon mutual agreement. If the Closing Date does not occur or before December 31, 2022, the Village may terminate this Agreement.

C. Improvement of the Property. The Developer shall improve the Property at its sole costs so that it is constructed and completed in a good and workmanlike manner and in compliance with:

1. Ordinance No. 22-07 approving for the Townhome Property a Preliminary Plat of Subdivision and Special Use Permit;
2. Ordinance No. 22-08 approving for the Duplex Property a Special Use Permit;
3. The site plans, architectural plans and elevations and engineering plans, and all on site signage submitted to and approved in writing by the Village Administrator and all necessary Village commissions, boards, and departments (the "final plans and specifications");
4. All applicable Village, rules, and regulations including, without limitation, all applicable zoning ordinances, building codes, health codes, life safety codes and all conditions of any special use permit granted for the Development;

5. All applicable federal and state regulations including without limitation, all environmental laws, the Americans With Disabilities Act, and the Illinois Prevailing Wage Act (820 ILCS 130/0.01 et seq.);
6. The Village Administrator may administratively approve minor modifications to the building and site plans, as allowed for by the Village Municipal Code.

D. Sale of the Duplex and Townhome Properties. Ownership of each unit of the Townhome Development and Duplex Development shall be conveyed pursuant to a fee simple deed. The Developer expects to sell each townhome unit for between \$450,000 and \$550,000 and each duplex unit for between \$700,000 and \$750,000. A homeowner's association (HOA) shall be established by the Developer to manage all common elements for the Townhome Property. A party wall agreement shall be included as a covenant to the Duplex Property units and shall be entered into by the future unit owners.

E. Recordation of Plats of Vacation and Subdivision. The Developer at its sole expense shall be responsible for the timely recordation of the Plat of Vacation described in Section 2.A and the Final Plat of Subdivision described in Section 2.B with the Cook County Clerk, including all recordation costs.

F. Construction Permits. Unless otherwise approved in writing by the Village Administrator, no construction, improvement, or development of any kind shall be permitted on any portion of the Property unless and until the Developer has received approval from all necessary Village departments and has been issued valid and binding building permits. Further, no occupancy of the Development may occur prior to the issuance of valid and binding certificates of occupancy.

G. Construction Management. The Developer has the following general responsibilities (which are not all inclusive) for the planning, design, development, construction, and installation of the Development:

1. Securing all authorizations, permits and licenses, including those of a temporary nature, as may be necessary for the construction and intended use of the Development;
2. Providing the appropriate coordination of all planning and construction of the Development, including the directing and scheduling of construction, all field inspections, tests, surveys, and other activities related to the Development; and
3. Providing qualified field personnel for inspecting and reviewing the progress and construction of the Development, including final inspection and certification by Developer that, to the best of its knowledge, all work, as constructed, conforms with the approved final plans and specifications.

H. Fees and Expenses. The Developer shall pay all normal fees to the Village for the Development, including permit, inspection review, including costs for third-party evaluation and inspection, and tap-on fees, as provided by Village ordinance.

I. Progress Meetings. The Developer shall meet with the Village Administrator, the Department of Community and Economic Development, and other Village staff as appropriate on a weekly basis or as reasonably requested by the Village Administrator to report on the progress of the Development and to provide a written comprehensive progress report on the Development in a

form approved by the Village Administrator. The Developer shall ensure adequate information is provided, including, without limitation, financial reports, engineering analyses, architectural analyses, as well as appropriate Development team personnel, at any such progress meeting as may be reasonably requested by the Village Administrator or Department of Community and Economic Development, or as may be appropriate to provide an accurate progress report.

J. Insurance. Prior to issuance of any building permit, Developer shall deliver to the Village, at Developer's cost and expense, insurance required to be carried by Developer pursuant to Section 6 of this Agreement.

K. Disclosures. Not less than ten (10) days prior to the execution of this Agreement, Developer shall furnish the Village with a statement disclosing the identity of all persons holding an ownership interest in the Developer and the percentage of such interest, said disclosure to be in a form reasonably satisfactory to the Village, and shall certify that no member, official, or employee of the Village has or shall have any personal interest, direct or indirect, in the Development or this Agreement. This disclosure shall be updated within 10 business days of any change of ownership, or written request from the Village Administrator

L. Maintenance of Development Upon Completion. Upon issuance of certificates of occupancy for the ten (10) townhome units and two (2) duplex units, the Developer shall maintain the Development in accordance with the Special Use Permit and the Requirements of Law until all units and common areas and elements of the Townhome Property and Duplex Property have been conveyed to their next successive owners.

M. Financing. Not less than ten (10) days prior to the Closing on the Village Property, Developer shall furnish to the Village proof reasonably acceptable to the Village that the Developer has irrevocable financing or a joint escrow account in sufficient amount for the construction of the improvements of the Development.

N. Payment of Taxes and Village Obligations. The Developer shall pay, when due, any and all real estate taxes and special assessments in respect to the Development. Failure to timely pay said taxes and/or special assessments shall constitute a breach of this Agreement, subject to the Notice and cure provisions set forth in Subsection 7.C of this Agreement.

O. Compliance with All Laws. The Developer represents, warrants, and agrees that:

1. The Developer is not barred from contracting with any unit of state or local government as a result of violating Section 33E-3 or 33E-4 of the Illinois Criminal Code (720 ILCS 5/33E-3 and 33E-4).
2. The Developer shall comply with the Illinois Drug Free Work Place Act, Equal Opportunity Clause of the Illinois Human Rights Act and the Rules and Regulations of the Illinois Department of Human Rights, the Americans with Disabilities Act, and Article 2 of the Illinois Human Rights Act (775 ILCS 5/2-101 et seq.).
3. Any construction contracts entered into by the Developer relating to the construction of the Development shall require all contractors and subcontractors to comply with the Illinois Fair Employment Practices Act.
4. The Developer shall comply with all applicable federal laws, state laws, and regulations including without limitation, such laws and regulations relating to minimum wages to be paid to employees, limitations upon the employment of minors, minimum

fair wage standards for minors, payment of wages due employees, and health and safety of employees. The Developer agrees to pay its employees, if any, all rightful salaries, medical benefits, pensions, and social security benefits pursuant to applicable labor agreements and federal and state statutes, and further agrees to make all required withholdings and deposits therefore.

5. Any lawsuit or complaint of violation of laws that is received by the Developer relative to this Agreement, or the Development shall be immediately forwarded to the Village Administrator.
6. The Developer shall be and remain in compliance with the Village's property maintenance regulations and shall promptly correct any code violations.

P. Limited Right of Assignment. Until the issuance of certificates of occupancy for the ten (10) townhome units, the Developer shall not assign its interests in this Agreement without express approval of the Corporate Authorities. Any approved assignment shall provide such information as may reasonably be requested to indicate that the construction of the Development will continue to be managed and operated in the manner that benefits the goals and objectives of the Redevelopment Plan; the Assignee shall have executed and delivered to the Village an instrument signed by the Assignee stating that the Assignee agrees to be bound by all terms in this agreement.

Q. Environmental Compliance. The Developer shall not dispose of or release any hazardous substance, material, contaminant, or pollutant, as defined by any federal or state environmental laws, in, under, on or about the Property. The Developer, at its costs, shall remediate any hazardous substance, contaminant or pollution or other dangerous environmental condition that it (or its employees, agents or contractors) creates or causes with respect to the Development in accordance with all federal, state, county and local applicable laws and regulations. The Developer shall indemnify and hold the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees harmless against any claim, suit, loss, liability or damage, including, attorneys fees and expenses incurred by the Village and/or its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees in defending itself or complying with applicable laws and regulations, arising out of or relating to the disposal or release of any hazardous substance, material, contaminant, or pollutant during performance of the Development in, under, on or about the Property by the Developer.

SECTION 4. VILLAGE OBLIGATIONS.

A. Sale of Property. The Village shall enter into a contract for the sale of 8720-26 Ferris, the Alley for the agreed price of **\$380,000.00** and the sale of 8733 Narragansett for the agreed price of **\$80,000.00** pursuant to the terms and conditions set forth in Exhibit F.

B. Economic Incentive. In consideration for the Developer's satisfactory performance of its obligations under this agreement and in order to make the Development economically feasible, the Village shall provide the following economic incentive:

1. The Village shall hold a note and mortgage for **\$420,000.00** of the combined purchase price of **\$460,000.00** pursuant to Section 3.A of this Agreement. The interest on the principal balance shall accrue at the rate of 7% per annum from the Closing Date until paid in full or forgiven. Except in the case of a default by the Developer, no payments shall be due to the Village for the first two (2) years after Closing Date. The principal balance and all accrued interest on the note shall be immediately due to the Village

on the second anniversary of the Closing Date, unless all Certificates of Occupancy have been issued for the ten (10) townhouse units and the two (2) duplex units.

2. The Village shall forgive the principal and interest owed on the note described above if the Developer is not in default of this Agreement and has constructed and has obtained Certificates of Occupancy for all ten (10) townhome units on the Townhome Property and has constructed and has obtained Certificates of Occupancy for the two (2) duplex units on the Duplex Property on or before the 2nd anniversary of the Closing Date.
3. Subject to Section 4, the Village shall provide additional TIF assistance to the Developer in an amount not to exceed **\$350,000.00** in cash reimbursement of expenses incurred by the Developer for the Development as authorized to be reimbursed by the Tax Increment Allocation Redevelopment Act found at 65 ILCS 5-11-74.4-1, et seq. ("Eligible Expenses"). Subject to the Developer's compliance with this Agreement and satisfaction of the applicable contingencies contained herein, said payments by the Village to the Developer shall be made as follows:
 - a. Up to **\$100,000.00** shall be paid for Eligible Expenses for architectural, engineering, and legal fees upon the Developer's submittal to the Village a written request for reimbursement, proof of payment, and paid receipts for said Eligible Expenses. Reimbursement of Eligible Expenses for architectural, engineering, and legal shall not be provided to the Developer until a building permit has been issued for construction of the Townhome Development.
 - b. Up to **\$250,000.00** shall be paid for Eligible Expenses for site improvement costs upon the Developer's submittal to the Village a written request for reimbursement, proof of payment, and paid receipts for said Eligible Expenses. Reimbursement of Eligible Expenses for site improvement costs shall not be provided to the Developer until the Village Engineer has certified that all public and private site improvements required to be constructed or installed have been fully completed in accordance with all applicable plans and specifications and that the inspected construction or installation thereof has been approved.
 - c. Should any of the Eligible Expenses described in parts (a) and (b) be lesser than the respective reimbursement amounts, the Developer may request from the Village reimbursement of other Eligible Expenses upon completion of the Development. However, the total TIF assistance provided to the Developer by the Village shall not exceed **\$350,000.00**.
 - d. The Village's obligation to provide the total amount of such reimbursement amount as described in parts (a) through (c) of this Section above is subject to the condition that such obligation shall not exceed the amount of eligible redevelopment project costs submitted by the Developer to the Village for those costs which have been incurred and paid. Any such submittal shall be supported by appropriate documentation, including, as applicable, receipts for paid bills or statements of suppliers, contractors or professionals, together with required contractors' or material men's partial and final affidavits or lien waivers, as the case may be.
 - e. The total TIF assistance paid by the Village to the Developer shall be reduced, or if the full \$350,000 of TIF assistance has already been paid, the Developer shall provide a cash reimbursement of the TIF assistance to the Village of five

thousand dollars (\$5,000), for each ten thousand dollars (\$10,000) above five hundred and twenty-five thousand dollars (\$525,000) any townhome unit is sold by the Developer, up to a total reduction or reimbursement of **\$100,000.00**. The cash reimbursement shall be submitted to the Village at or prior to the closing of any townhome unit being sold for a sales price over five hundred and twenty-five thousand dollars (\$525,000).

- f. Under no circumstances will the Village be obligated to provide any TIF Assistance to the Developer for any Eligible Expenses after December 31, 2023, or pursuant to any request for reimbursement, including proof of payment, and paid receipts for Eligible Expenses submitted to the Village no later than October 31, 2023.
4. In the event of a Developer default which is not cured in a timely manner or if the Developer has not secured Certificates of Occupancy for all ten (10) townhome units and the two (2) duplex units on or before the second anniversary of the Closing Date, the Developer shall immediately refund to the Village any monies paid by the Village pursuant to Section 3.
5. Under no circumstances will the Village be obligated to provide the Developer any forgiveness of the mortgage and accrued interest and reimbursement of Eligible Expenses if Certificates of Occupancy are not issued for all ten (10) townhome units and the two (2) duplex units on or before the second anniversary of the Closing Date.

SECTION 5. MUTUAL OBLIGATIONS.

A. Documents. The Parties agree to take such actions, including the execution and delivery of such documents, as well as 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 such terms, provisions, and intent.

B. Governmental Approvals. The Parties shall cooperate fully with each other in implementing the Development and in seeking and obtaining from any or all appropriate governmental bodies (whether federal, state, county or local) any necessary permits, entitlements, and approvals, required or useful for the improvement of property and construction of the Development in and on the Property, or for the provision of services to the Property. The Village shall expeditiously and fairly process all properly filed applications for permits and approvals necessary for the Development including, without limitation, building permits and certificates of occupancy.

C. Timeline.

1. Time is of the essence to this Agreement. The Parties will each proceed with commercially reasonable diligence to submit and process all required applications, issue all approved permits and complete the construction of the Development.
2. The parties recognize that delaying events beyond their control may occur which will necessitate modification to this schedule as agreed by the Developer and the Village Administrator.

3. A Party shall not be deemed in default of this agreement if such Party's failure to timely perform was reasonably caused by war, acts of God, strikes, labor disputes, reasonably unavoidable disruptions to supply chains for materials, pandemic, delay in issuance of necessary permits or authorizations by any governmental body, including but not limited to the Village, through no fault of the Developer or similar causes beyond the reasonable control of such Party ("Force Majeure"). If a Force Majeure event occurs, which caused a delay, a party seeking to claim Force Majeure as the basis for an extension, shall serve notice of its claim for Force Majeure and supporting specific third-party documentation within five (5) business days from the start of the Force Majeure event. Any extension for the completion of the incomplete performance shall be equal to the period of the delay to run from the time of the commencement of the Force Majeure.

SECTION 6. INSURANCE AND INDEMNIFICATION.

A. Insurance. The Developer, and any successor in interest to the Developer, shall obtain or cause to be obtained and continuously maintained when required during the Term of this Agreement, the insurance as set forth below. The Developer shall provide a copy of all policies to the Village with proof that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage described below is the minimum insurance coverage that the Developer must obtain and continuously maintain:

1. Developer (or Developer's contractor) shall during any period of construction, maintain:
 - a. Worker's Compensation insurance with statutory coverage and Employers' Liability coverage of at least five hundred thousand dollars (\$500,000) per accident;
 - b. Commercial General Liability insurance (including operations, contingent liability, operations of subcontractors, and contractual liability insurance) with limit of not less than one million dollars (\$1,000,000) combined single limit per occurrence for bodily injury, and property damage and one million dollars (\$1,000,000) per occurrence for personal injury with a general aggregate of two million dollars (\$2,000,000);
 - c. Owners and Contractors Protective Liability (OCP) with a limit of not less than one million dollars (\$1,000,000) combined single limit per occurrence for bodily injury and property damage;
 - d. Business Automobile Liability: One million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
2. Developer (or Developer's contractor) shall during any period of construction maintain builders risk insurance on a completed value basis, in non-reporting form, against all risks of physical loss, including collapse and water damage with no exclusion for flood and hydrostatic pressure, covering the total value of work performed and equipment, supplies and materials furnished for the project development (including on-site stored materials) as to all work by Developer. The Village shall be named as loss payee.

3. After completion of construction, the Developer shall maintain property insurance and extended coverage on a replacement basis for the insurable value of the redevelopment project until all ten (10) townhome units and common elements to be owned and maintained by the HOA have been conveyed pursuant to fee simple deeds.
4. All such policies shall be in such form and issued by such companies as shall be acceptable to the Village to protect the Village and Developer against any liability incidental to the use of or resulting from any claim for injury or damage occurring in or about the Project, or the construction and improvement thereof by Developer, except to the extent arising from Village (or its agents, employees and contractors) acts or omissions (in which case the Village shall look solely to its own insurance).
5. Alternatively, Developer, may satisfy its insurance obligations in this Article by way of a blanket policy or policies which includes other liabilities, properties and locations having a per occurrence liability of three million dollars (\$3,000,000) and a general policy aggregate of at least ten million dollars (\$10,000,000). The Village shall have the right to review any blanket policy or policies to determine that such coverage is in compliance with the requirements contained herein and shall have the right to reject any blanket policy or policies if they do not comply with the requirements contained herein.
6. Each such policy shall name the Village, its officials, employees, agents and volunteers are to be covered as additional insureds as respects: liability arising out of the Developer's work, including activities performed by or on behalf of the Developer; products and completed operations of the Developer (or Developer's Contractor); premises owned, leased or used by the Developer; or automobiles owned, leased, hired or borrowed by the Developer. The coverage shall contain no special limitations on the scope of protection afforded to the Village, its officials, agents, employees and volunteers. The policy shall contain an affirmative statement by the issuer that it will give written notice to the Village at least 30 days prior to any cancellation or amendment of its policy. The Developer shall provide to the Village a replacement certificate not less than 30 days prior to expiration of any policy.

The Developer's insurance coverage shall be primary and non-contributory as respects the Village its officials, employees, agents, and volunteers. Any insurance or self-insurance maintained by the Village, its officials, employees, agents, and volunteers shall be excess of Developer's insurance and shall not contribute with it.

The Developer's insurance shall contain a Severability of Interests/Cross Liability clause or language stating that Developer's insurance shall apply separately to each insured against who claim is made or suit is brought, except with respect to the limits of the insurer's liability.

The Developer shall include all contractors or subcontractors as insureds under its policies or shall furnish separate certificates and endorsements for each contractor or subcontractor subject to all of the requirements stated herein.

The Developer shall furnish the Village with certificates of insurance showing the coverage as required herein with original additional insured endorsements naming the Village, its officials, employees, agents, and volunteers as additional insureds. The certificates and endorsements for each insurance policy are to be signed by a person

authorized by that insurer to bind coverage on its behalf. The certificates and endorsements are to be received and approved by the Village before any work commences.

B. Village Review. Subject to and except as otherwise provided in the provisions of Section 6 of this Agreement, the Developer acknowledges and agrees that the Village is not, and shall not be, in any way liable for any damages or injuries that may be sustained as the result of the Village's review and approval of any plans or failure to review and approve any plans for the Property or the Development, or the issuance of or failure to issue any approvals, permits, certificates, or acceptances for the development or use of the Property or the Development, and that the Village's review and approval of those plans and the Development and issuance of those approvals, permits, certificates, or acceptances does not, and shall not, in any way, be deemed to insure the Developer, or any of its heirs, successors, assigns, tenants invitees, and licensees, or any other Person, against damage or injury of any kind at any time.

C. Indemnification of Village. Developer, its successors and assigns shall defend, indemnify and hold harmless the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees, from and against any and all civil liabilities, actions, responsibilities, obligations, losses, damages and claims, and all costs and expenses, including but not limited to attorney's fees and expenses (collectively, "Losses") pursuant to any federal, state and local laws including the common law), statutes, ordinances, rules, regulations and other requirements relating to or which the Village and/or its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees may incur from or on account of Developer's use of the Property, any tests or surveys conducted by the Developer, and the construction of the Project, including but not limited to any Losses incurred which are based on tort law, wrongful death and/or a personal injury claim, suit or action and/or any Losses and claims relating to environmental investigation, cleanup, or abatement, whether asserted or unasserted, direct or indirect, existing or inchoate, known or unknown, having arisen or to arise in the future, and in any manner whatsoever incurred by reason of Developer's or worker's activities or inactivities at the Property or the Development. It is expressly understood, agreed upon and the specific intent of this Agreement that the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees will at no time assume responsibility or liability for the actions of Developer or any of the workers or other persons on the Property. As between the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees and Developer, Developer shall at all times be held solely responsible to all persons on the Property present there because of the Development and work thereon. Developer and its successors and assigns hereby agree to release, waive, covenant not to sue and forever discharge the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees, for any claim, suit or action, whether or not well founded in fact or in law, which Developer and the workers have, or may have, arising out of the Development, except to the extent that any contamination occurs as a result of actions taken after the date of this Agreement by the Village or any of its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees, and except for any claim or action which Developer, its successors and assigns may have under this Agreement.

SECTION 7.DEFAULT

A. Events of Default by Developer. Events of default by the Developer include any violation of this Agreement and without limitation the following:

1. Any material misrepresentation made by Developer in this agreement, or in any certificate, notice, or financing document;

2. Failure to perform any material obligation or covenant contained in this Agreement, or any other agreement, financing document;
3. The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of 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, (or similar official) of 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 and in effect for more than thirty (30) consecutive days;
4. The commencement by 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 Developer to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, (or similar official) of Developer or of any substantial part of the Property, or the making by any such entity of any assignment for the benefit of creditors or the failure of Developer generally to pay such entity's debts as such debts become due or the taking of action by Developer in furtherance of any of the foregoing, or a petition is filed in bankruptcy by others and not dismissed within thirty (30) consecutive days;
5. Failure to have funds to meet Developer's obligations;
6. If after work begins on the Development, work stops for more than forty-five (45) consecutive days for any reason other than: (i) Force Majeure or (ii) if Developer is ahead of its planned construction schedule;
7. Developer materially fails to comply with applicable governmental codes and regulations in relation to the construction and maintenance of the buildings contemplated by this Agreement or the Developer refuses or fails to construct the Development in conformance with the final plans and specifications.

B. Events of Default by Village. Events of default by the Village include without limitation the following:

1. Any material misrepresentation made by the Village in this agreement, or in any certificate, notice, or financing document;
2. Failure to perform any material obligation or covenant contained in this agreement, or any other agreement, financing document.

C. Default by Developer Prior to Purchase of Property. If the Developer defaults before titles to the Village property are transferred to the Developer, the Developer shall have 30 business days after receipt of written notice by the Village to cure such default or, for non-monetary defaults only, to commence the cure of such default if it cannot be cured within such time period. If the Developer fails to timely cure said default, the Village may, terminate this agreement in which case, the Developer will reimburse the Village for all of its out-of-pocket costs including fees relating to this Agreement.

D. Default by Developer Prior to Construction of Improvements. If the Developer defaults after title to the Village Property is transferred to the Developer but before construction begins, the Developer shall have 30 business days after receipt of written notice by the Village to cure such

default or, for non-monetary defaults only, to commence the cure of such default if it cannot be cured within such time period. If the Developer fails to timely cure said default the Village may terminate this Agreement in which case, the Developer will quit claim its interest in the Village Property to the Village, and the Developer will reimburse the Village for all of its out-of-pocket costs, including attorney's fees relating to this Agreement, any paid reimbursement of Eligible Costs to the Developer pursuant to Section 4.B.3 of this Agreement, and any accrued interest on the note. The Village shall then forgive the principal balance on the note.

E. Default by Developer After Construction Commences. If the Developer defaults after construction begins the Developer shall have 30 business days after receipt of written notice by the Village to cure such default or to commence the cure of such default if it cannot be cured within such time period (non-monetary defaults only). If the Developer fails to timely cure said default, the Developer shall quit claim its interest in the Village Property to the Village. In addition thereto, the Village at its option may terminate this Agreement in which case, the Developer will reimburse the Village for all of its out of pocket attorney's fees relating to this Agreement, the cost incurred to restore the Village Property to its condition at the time of Closing, any paid reimbursement of Eligible Costs to the Developer pursuant to Section 4.B.3 of this Agreement, and any accrued interest on the note. The Village shall then forgive the principal balance on the note.

F. Default by Village. If the Village defaults, the Developer shall be entitled to (i) require specific performance of this Agreement or (ii) terminate this Agreement in which event the Village shall reimburse Developer for all of its out-of-pocket costs including attorney's fees relating to this Agreement.

G. Consequential Damages. Neither party shall be liable to the other for consequential damages or lost profits except as otherwise specifically provided in this Agreement.

H. Lender Approval. If prior to the closing on the purchase of the Village property, the Developer's Lender objects to any of the default provisions in this Section, the parties will agree to modify this Section to the reasonable satisfaction of the Developer's Lender.

I. Attorney's Fees. In the event either party files an action to enforce the terms of this agreement, the non-prevailing party shall pay all reasonable court costs, witness fees, discovery fees and attorneys' fees incurred by the party who substantially prevails in the resolution of the action.

SECTION 8. GUARANTEE

The Developer's obligations under this agreement and the contract for the purchase of 8720-26 Ferris, Alley, and 8733 Narragansett referenced in Subsection 4.A and the note and mortgage reference in Section 4.B of this agreement shall be guaranteed by John Park.

SECTION 9. GENERAL PROVISIONS.

A. No Individual or Personal Liability. Notwithstanding any other statement in this Agreement, the Parties agree that the representations made by the Village in this Agreement and incentives offered herein are made on behalf of the Village, and the Village President and Board of Trustees are not making such representations personally, are not parties to this Agreement, and shall incur no personal liability in conjunction with this Agreement.

B. No Third-Party Beneficiaries. This Agreement is made for the benefit of the parties and there are no third-party beneficiaries.

C. Notice. Any notice or communication required or permitted to be given under this Agreement shall be in writing and shall be delivered (i) personally, (ii) by a reputable overnight courier, (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, (iv) by facsimile, or (v) by electronic internet mail ("e-mail"). Facsimile notices shall be deemed valid only to the extent that they are (a) actually received by the individual to whom addressed and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three (3) business days thereafter at the appropriate address set forth below. E-mail notices shall be deemed valid only to the extent that they are (a) opened by the recipient on a business day at the address set forth below, and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three (3) business days thereafter at the appropriate address set forth below. Unless otherwise provided in this Agreement, notices shall be deemed received after the first to occur of (a) the date of actual receipt; or (b) the date that is one (1) business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (b) the date that is three (3) business days after deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section, each party to this Agreement shall have the right to change the address or the addressee, or both, for all future notices and communications to them, but no notice of a change of addressee or address shall be effective until actually received.

Notices and communications to the Village of Morton Grove shall be addressed to, and delivered at the following addresses:

Teresa Hoffman Liston, Corporation Counsel
The Village of Morton Grove
6101 Capulina Avenue
Morton Grove, Illinois 60053

Ralph Czerwinski, Village Administrator
The Village of Morton Grove
6101 Capulina Avenue
Morton Grove, Illinois 60053

Notices and communications to the Developer shall be addressed to, and delivered at, the following address:

P & P Properties, LLC
c/o John Park
1625 N. Milwaukee Avenue
Glenview, Illinois 60025

D. Rights Cumulative. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other rights, remedies, and benefits allowed by law.

E. No Waiver. The Village shall be under no obligation to exercise any of the rights granted to it in this Agreement. The failure of the Village to exercise at any time any right granted to the Village shall not be deemed or construed to be a waiver of that right, nor shall the failure void or affect the Village's right to enforce that right or any other right.

F. Governing Law. This Agreement shall be governed by, and enforced in accordance with, the internal laws, of the State of Illinois. Any action to enforce this Agreement shall be filed in the Circuit Court of Cook County, Illinois.

G. Severability. It is hereby expressed to be the intent of the Parties that should any provision, covenant, agreement, or portion of this Agreement or its application to any Person or property be held invalid by a court of competent jurisdiction, the remaining provisions of this Agreement and the validity, enforceability, and application to any Person or property shall not be impaired thereby, but the remaining provisions shall be interpreted, applied, and enforced so as to achieve, as near as may be, the purpose and intent of this Agreement to the greatest extent permitted by applicable law.

H. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supersedes any and all prior agreements and negotiations between the parties, whether written or oral, relating to the subject matter of this Agreement.

I. Interpretation. This Agreement shall be construed without regard to the identity of the party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

J. Exhibits. The following Exhibits attached to this Agreement are, by this reference, incorporated in, and made a part of this Agreement:

Exhibit A	Legal description and PIN number(s) of 8721 Narragansett;
Exhibit B	Legal description and PIN number(s) of 8735 Narragansett;
Exhibit C	Legal description and PIN number(s) of 8720-26 Ferris;
Exhibit D	Legal description of the Alley;
Exhibit E	Legal description and PIN number(s) of 8733 Narragansett Avenue;
Exhibit F	Purchase Agreement for 8720-26 Ferris and 8733 Narragansett Avenue;
Exhibit G	Mortgage Against Real Estate;
Exhibit H	Promissory Note.

In the event of a conflict between an exhibit and the text of this Agreement, the text of this Agreement shall control.

K. Amendments and Modifications. No amendment or modification to this Agreement shall be effective until it is reduced to writing and approved and executed by all parties to this Agreement in accordance with all applicable statutory procedures.


L. Authority to Execute. The Village hereby warrants and represents to the Developer that the persons executing this Agreement on its behalf have been properly authorized to do so by the Corporate Authorities. The Developer hereby warrants and represents to the Village (i) that it is the owner of the Developer's Property, (ii) that no other Person has any other contractual or security interest in the Developer's Property, (iii) that it has the full and complete right, power, and authority to enter into this Agreement and to agree to the terms, provisions, and conditions set forth in this Agreement and to bind said property as set forth in this Agreement, (iv) that all legal actions needed to authorize the execution, delivery, and performance of this Agreement have been taken, and (v) that neither the execution of this Agreement nor the performance of the obligations assumed by the Developer will (a) result in a breach or default under any agreement to which the Developer is a party or to which it or the Developer's Property is bound or (b) violate any statute, law, restriction, court order, or agreement to which the Developer or the Developer's Property are subject.

M. No Joint Venture. Nothing contained in this Agreement is intended by the Parties to create a joint venture between the Parties. It is understood and agreed that this Agreement does not provide for the joint exercise by the Parties of any activity, function or service, nor does it create a joint enterprise, nor does it constitute either Party as an agent of the other for any purpose whatsoever. Nothing in this Agreement shall be construed to make the parties hereto partners or render either of said parties liable for the debts or obligations of the other.

N. Counterparts. This Agreement may be executed in counterpart, each of which shall constitute an original document, which together shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties have thereto set their hands on the date first above written.

ATTEST:

By: 
Eileen Scanlon Harford
Village Clerk

THE VILLAGE OF MORTON GROVE, an Illinois
municipal corporation

By: 
Daniel P. DiMaria
Village President

P & P Properties, LLC

By: 
Jenny Park, Managing Member

GUARANTEE

THIS GUARANTEE dated this 30th day of August 2022

IN CONSIDERATION OF the Village of Morton Grove (the "Village") entering into an Economic Incentive and Tax Increment Allocation Financing Development Agreement ("the agreement") with P & P Properties, LLC ("the Developer"), dated August 30th, 2022, the undersigned Guarantor personally guarantees the prompt, full and complete performance of any and all present and future duties, obligations and indebtedness of the Developer including but not limited to all payments due pursuant to a note to be signed by the Developer in the amount of **\$420,000** upon the closing of certain property to be sold to the Developer by the Village ("the note") pursuant to the agreement, under the following terms and conditions:

The Guarantor guarantees that Developer will promptly perform all obligations under the agreement and pay the full amount of principal and interest of the note when due, either according to the terms and conditions provided by the agreement or upon acceleration of the payment under the agreement by reason of a default.

This Guarantee shall be construed exclusively in accordance with, and governed by, the laws of the State of Illinois. Any dispute arising hereunder may only be brought within the State Courts of the State of Illinois. This Guarantee embodies the entire promise of Guarantor to personally guarantee Developer's debts and obligations as set forth herein and supersedes all prior agreements and understandings relating to the subject matter here, whether oral or in writing.

By:


John Park

Exhibit A

Legal Description and Property Index Number(s)

8721 Narragansett Avenue

Morton Grove, Illinois

LOTS 17 AND 18 IN LUMPP'S SUBDIVISION, BEING A SUBDIVISION OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION OF LOTS 42 AND 43 TOGETHER WITH THE NORTH 16 FEET OF LOT 44 IN COUNTY CLERK'S DIVISION OF SECTION 20 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF LINCOLN AVENUE AND THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD (EXCEPT THEREFROM THE NORTH 100.17 FEET OF THE EAST 85 FEET OF SAID LOT 3 IN HENNING'S SUBDIVISION) IN COOK COUNTY, ILLINOIS.

PIN(S)

10-20-100-029-0000

Exhibit B

Legal Description and Property Index Number(s)

8735 Narragansett Avenue

Morton Grove, Illinois

LOT 23 IN LUMPP'S SUBDIVISION OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION OF LOTS 42 AND 43 TOGETHER WITH THE NORTH 16 FEET OF LOT 44 IN COUNTY CLERK'S DIVISION OF SECTION 20 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF LINCOLN AVENUE AND THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD (EXCEPT THEREFROM THE NORTH 100.17 FEET OF THE EAST 85 FEET OF SAID LOT 3 IN HENNING'S SUBDIVISION) IN COOK COUNTY, ILLINOIS.

PIN(S)

10-20-100-008-0000

Exhibit C

Legal Description and Property Index Number(s)

8720-26 Ferris Avenue

Morton Grove, Illinois

LOTS 13, 14, 15 AND 16 IN LUMPP'S SUBDIVISION, BEING A SUBDIVISION OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION OF LOTS 42 AND 43 TOGETHER WITH THE NORTH 16 FEET OF LOT 44 IN COUNTY CLERK'S DIVISION OF SECTION 20 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF LINCOLN AVENUE AND THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD (EXCEPT THEREFROM THE NORTH 100.17 FEET OF THE EAST 85 FEET OF SAID LOT 3 IN HENNING'S SUBDIVISION) IN COOK COUNTY, ILLINOIS.

PIN(S)

10-20-100-021-0000

10-20-100-022-0000

10-20-100-023-0000

10-20-100-024-0000

Exhibit D
Legal Description and Property Index Number(s)
The Alley
Morton Grove, Illinois

OF THAT PART OF THE NORTH-SOUTH 16 FEET WIDE PUBLIC ALLEY LYING NORTH OF AND ADJOINING THE NORTH RIGHT OF WAY LINE OF HENNINGS COURT; LYING WEST OF AND ADJOINING THE WEST LINE OF LOTS 15, 16 AND ADJOINING THE WEST LINE OF THE SOUTH 20 FEET OF LOT 14; LYING EAST OF AND ADJOINING THE EAST LINE OF LOTS 17 AND 18; LYING SOUTH OF AND ADJOINING THE NORTH LINE OF LOT 18 PROJECTED EAST, ALL INCLUSIVE IN LUMPP'S SUBDIVISION, BEING A SUBDIVISION OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION OF LOTS 42 AND 43 TOGETHER WITH THE NORTH 16 FEET OF LOT 44 IN COUNTY CLERK'S DIVISION OF SECTION 20 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF LINCOLN AVENUE AND THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD (EXCEPT THEREFROM THE NORTH 100.17 FEET OF THE EAST 85 FEET OF SAID LOT 3 IN HENNING'S SUBDIVISION) ACCORDING TO THE PLAT THEREOF RECORDED JUNE 23, 1926 AS DOCUMENT NUMBER 9317622, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF LOT 18, THENCE NORTH 00 DEGREES 48 MINUTES 52 SECONDS EAST, A DISTANCE OF 70.04 FEET; THENCE NORTH 89 DEGREES 23 MINUTES 21 SECONDS EAST, A DISTANCE OF 16.00 FEET; THENCE SOUTH 00 DEGREES 48 MINUTES 52 SECONDS WEST, A DISTANCE OF 70.04 FEET; THENCE SOUTH 89 DEGREES 23 MINUTES 21 SECONDS WEST, A DISTANCE OF 16.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PIN(S)
TO BE ASSIGNED

Exhibit E

Legal Description and Property Index Number(s)

8733 Narragansett Avenue

Morton Grove, Illinois

LOT 22 IN LUMPP'S SUBDIVISION, BEING A SUBDIVISION OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION OF LOTS 42 AND 43 TOGETHER WITH THE NORTH 16 FEET OF LOT 44 IN COUNTY CLERK'S DIVISION OF SECTION 20 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF LINCOLN AVENUE AND THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD (EXCEPT THEREFROM THE NORTH 100.17 FEET OF THE EAST 85 FEET OF SAID LOT 3 IN HENNING'S SUBDIVISION) IN COOK COUNTY, ILLINOIS.

PIN(S)

10-20-100-009-0000

Exhibit F

CONTRACT FOR THE PURCHASE OF 8720-26 FERRIS AVENUE AND 8733 NARRAGANSETT AVENUE IN MORTON GROVE, ILLINOIS, BY AND BETWEEN THE VILLAGE OF MORTON GROVE AND PARK INTERNATIONAL INVESTMENTS, LLC

The Village of Morton Grove, a municipal corporation and a home rule unit of government located in Cook County, Illinois ("Village" or "Seller") hereby agrees to sell and P & P Properties, LLC, an Illinois Limited Liability Company ("Buyer") hereby agrees to buy that property commonly known as 8720 through 8726 Ferris Avenue, including a portion of abutting vacated public alley, and 8733 Narragansett Avenue, which are legally described in Attachment 1, and all improvements thereon ("the Real Estate") pursuant to the following terms and conditions:

1. **Purchase Price.** The Buyer shall pay the Village the sum of four hundred and sixty thousand dollars (\$460,000) to be paid as follows:
 - a. **Earnest Money.** No earnest money shall be required by the Buyer.
 - b. **Payment at Closing.** Forty thousand dollars (\$40,000) shall be paid by the Buyer to the Seller at closing. At closing, the Buyer shall execute a note and mortgage in favor of the Village for the balance of the purchase price of the Real Estate in the amount of four hundred and twenty thousand dollars (\$420,000). The interest on the principal balance shall accrue at the rate of 7% per annum from the closing date until paid or forgiven. Except in the case of a default by the Buyer, no payments shall be due to the Village for the first two (2) years after the closing date, subject to the Village's agreement to forgive the note as set forth in 4.B.2 of the Redevelopment Agreement by and between the parties dated August 30th, 2022 ("the RDA"). The Village will forgive the principal and interest owed on the note in full when Certificates of Occupancy are issued for all ten (10) townhome units and two (2) duplex units constructed on the Real Estate on or before the second anniversary of the closing date. If all said Certificates of Occupancy are not issued on or before the second anniversary of the closing date, the Developer will reimburse the Village for all of its out of pocket attorney's fees relating to the RDA, the cost incurred to restore the Village Property to its condition at the time of Closing, any paid reimbursement of Eligible Costs to the Developer pursuant to Section 4.B.3 of the RDA, and any accrued interest on the note. The Village shall then forgive the principal balance on the note.

No portion of the note and mortgage shall be forgiven while the Developer is in default of any term of this contract or the RDA or is not in good standing on any and all Village fees, taxes, obligations and accounts, including but limited to real estate tax payments to Cook County, local food and beverage sales taxes, fire system fees, vehicle sticker payments, parking tickets, water bills, and fines, except as provided in this section and Sections 7.D and 7.E of the RDA.

2. **Closing.** The closing shall occur within ten (10) business days of the approval by the Village Administrator and all governmental and quasi-governmental agencies, authorities, commissions, or other bodies with jurisdiction of all building and zoning permits which are required for the construction of the improvements of the Development and the permits have been issued, including registration of contractors and payment of permit fees, or sooner upon mutual agreement. If the Closing Date does not occur or before December 31, 2022, the Village may terminate this Agreement.

3. **Contingency Period and Inspections.**

- a. The Village shall make available to the Buyer for the Buyer's inspection, copies of all surveys, environmental reports, soils tests, maps, and plats for the subject property within the Village's possession.
- b. The Buyer and its agents shall have through September 1, 2022, to conduct at Buyer's sole cost and expense and subject to the terms herein its inspection of the property which may include without limitation fiscal inspections of the subject property, surveys, soils tests, site analyses, engineering studies, environmental studies, and investigations and appraisals.
- c. The Buyer may terminate this contract for any reason during the contingency period.
- d. The Village represents and warrants there are no tenants occupying the real estate, and the real estate shall be vacant at closing.

4. **Tax Prorations.** The Village represents the real estate has been exempt from real estate taxes and shall remain so through the date of the closing. In the event any taxes are assessed or become due and payable for any period prior to the closing, the Village shall pay same upon receipt of any such real estate tax bill.

5. **Title.** At the Village's expense, the Village will deliver or cause to be delivered to the Buyer within five (5) days in advance of closing, a title commitment for an ALTA title insurance policy in the amount of the purchase price with extended coverage by a title company mutually acceptable to the parties issued on or subsequent to the date of acceptance of this contract, subject only to items listed in paragraph 7. The parties shall each pay their respective usual and customary share of the additional title charges and the parties shall equally pay for any deed in money closing escrow incurred as a result of this transaction. If the title commitment discloses any exceptions not acceptable to the Buyer, then the Village shall have said exceptions or encroachments removed, or, with Buyer's approval, have the title insurance commit to insure against loss or damage that may be caused by such exceptions or encroachments. If the Village fails to have unpermitted exceptions waived or title insured over prior to the closing, Buyer may elect to take the title as it then is, with the right to deduct from the purchase price prior encumbrances of a definite or ascertainable amount as may reasonably be agreed by the parties. The Village shall furnish Buyer at closing an Affidavit of Title covering the date of the closing and shall sign any other customary forms required for the issuance of an ALTA Insurance Policy.

6. **Survey.** The Village shall have no obligation to provide the Developer with a survey. If a survey is required by the title company, it shall be the Developer's responsibility to provide such survey, at the Developer's sole cost.

7. **Deed.** The Village will convey or cause to be conveyed to the Buyer good and merchantable title to the real estate by recordable Warranty Deed subject only to: general real estate taxes not due and payable at the time of closing, covenants, conditions, and restrictions of record, building lines and easements, applicable zoning and building laws, ordinances, restrictions and acts suffered or done by the Village if any, so long as they do not interfere with the current use and enjoyment of the real estate.

8. **Possession.** At closing, the Village shall surrender the property devoid of tenants and

free and clear of any leases.

9. **Seller Representations.** Village represents all leases and tenancies have been fully disclosed to the Buyer, that the Village has not received written notice from any other governmental body of (a) zoning, building, fire or health code violations that have not been corrected; (b) any pending rezoning; or (c) a proposed or confirmed special assessment and/or special service area affecting the real estate. The Village further represents it has no knowledge of boundary line disputes, easements or claims of easement not shown by the public records, any hazardous waste on the real estate or any improvements for which the required permits were not obtained.
10. **Maintenance of Property.** The property shall be maintained in the same condition as found on the date of the contract, normal wear and tear, excepted.
11. **Default.** The Village shall be responsible for all damages, reasonable costs and expenses including attorney's fees due to the failure of the Village to comply with the terms of this contract. The Buyer shall be responsible for all damages, reasonable costs and expenses, including attorney's fees incurred by the Village, in excess of any earnest money retained by the Village due the failure of the Buyer to comply with the terms of this contract.
12. **Notice.** All notices required shall be in writing and shall be delivered by personal delivery; by certified mail, return receipt requested which shall be effective on the date of mailing; or by sending facsimile transmission which shall be effective as of the date and time of facsimile transmission, provided the notice transmitted shall be sent on business days during the business hours of 9:00 am to 5:00 pm Chicago time. In the event the fax notice is transmitted during non-business hours, the effective date and time of notice is the first hour of the first business day after the transmission.

Notices to the Village shall be mailed to:

Teresa Hoffman Liston, Corporation Counsel
The Village of Morton Grove
6101 Capulina Avenue
Morton Grove, Illinois 60053

Ralph Czerwinski, Village Administrator
The Village of Morton Grove
6101 Capulina Avenue
Morton Grove, Illinois 60053

Notices to the Buyer shall be mailed to:

P & P Properties, LLC
c/o John Park
1625 N. Milwaukee Avenue
Glenview, Illinois 60025

13. **Miscellaneous.**
 - a. Time is of the essence of this contract.

- b. The Village shall pay for all county, state, and municipal transfer taxes if required by law.
- c. All disputes related to the construction or enforcement of these terms and provisions shall be governed by the laws of the State of Illinois and are subject to the covenant of good faith and fair dealing implied in all Illinois contracts.

This contract has been executed on August 30, 2022 (the contract date).

IN WITNESS WHEREOF, the parties have thereto set their hands on the date first above written.

THE VILLAGE OF MORTON GROVE

By: 
Daniel P. DiMaria, Village President

ATTEST:

By: 
Eileen Scanlon Harford, Village Clerk

P & P PROPERTIES, LLC

By: 
Jenny Park, Managing Member

Exhibit F - Attachment 1
Legal Description and Property Index Number(s)
8720-26 Ferris Avenue, 8733 Narragansett Avenue
Morton Grove, Illinois

8720-26 FERRIS AVENUE, INCLUDING VACATED ALLEY:

LOTS 13, 14, 15 AND 16 IN LUMPP'S SUBDIVISION, BEING A SUBDIVISION OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION OF LOTS 42 AND 43 TOGETHER WITH THE NORTH 16 FEET OF LOT 44 IN COUNTY CLERK'S DIVISION OF SECTION 20 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF LINCOLN AVENUE AND THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD (EXCEPT THEREFROM THE NORTH 100.17 FEET OF THE EAST 85 FEET OF SAID LOT 3 IN HENNING'S SUBDIVISION) IN COOK COUNTY, ILLINOIS.

OF THAT PART OF THE NORTH-SOUTH 16 FEET WIDE PUBLIC ALLEY LYING NORTH OF AND ADJOINING THE NORTH RIGHT OF WAY LINE OF HENNING'S COURT; LYING WEST OF AND ADJOINING THE WEST LINE OF LOTS 15, 16 AND ADJOINING THE WEST LINE OF THE SOUTH 20 FEET OF LOT 14; LYING EAST OF AND ADJOINING THE EAST LINE OF LOTS 17 AND 18; LYING SOUTH OF AND ADJOINING THE NORTH LINE OF LOT 18 PROJECTED EAST, ALL INCLUSIVE IN LUMPP'S SUBDIVISION, BEING A SUBDIVISION OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION OF LOTS 42 AND 43 TOGETHER WITH THE NORTH 16 FEET OF LOT 44 IN COUNTY CLERK'S DIVISION OF SECTION 20 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF LINCOLN AVENUE AND THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD (EXCEPT THEREFROM THE NORTH 100.17 FEET OF THE EAST 85 FEET OF SAID LOT 3 IN HENNING'S SUBDIVISION) ACCORDING TO THE PLAT THEREOF RECORDED JUNE 23, 1926 AS DOCUMENT NUMBER 9317622, DESCRIBED AS FOLLOWS: BEGINNING AT THE SOUTHEAST CORNER OF LOT 18, THENCE NORTH 00 DEGREES 48 MINUTES 52 SECONDS EAST, A DISTANCE OF 70.04 FEET; THENCE NORTH 89 DEGREES 23 MINUTES 21 SECONDS EAST, A DISTANCE OF 16.00 FEET; THENCE SOUTH 00 DEGREES 48 MINUTES 52 SECONDS WEST, A DISTANCE OF 70.04 FEET; THENCE SOUTH 89 DEGREES 23 MINUTES 21 SECONDS WEST, A DISTANCE OF 16.00 FEET TO THE POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS.

PIN(S)

10-20-100-021-0000
10-20-100-022-0000
10-20-100-023-0000
10-20-100-024-0000

8733 NARRAGANSETT AVENUE:

LOT 22 IN LUMPP'S SUBDIVISION, BEING A SUBDIVISION OF THE NORTH 366.17 FEET OF LOT 3 IN HENNING'S SUBDIVISION OF LOTS 42 AND 43 TOGETHER WITH THE NORTH 16 FEET OF LOT 44 IN COUNTY CLERK'S DIVISION OF SECTION 20 AND THE NORTHEAST QUARTER OF SECTION 19, TOWNSHIP 41 NORTH, RANGE 13 EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EAST OF LINCOLN AVENUE AND THE CHICAGO, MILWAUKEE AND ST. PAUL RAILROAD (EXCEPT THEREFROM THE NORTH 100.17 FEET OF THE EAST 85 FEET OF SAID LOT 3 IN HENNING'S SUBDIVISION) IN COOK COUNTY, ILLINOIS.

PIN(S)

10-20-100-009-0000

VILLAGE OF MORTON GROVE, ILLINOIS**Lehigh/Ferris Tax Increment Financing - Special Revenue Fund****Schedule of Revenues, Expenditures and Changes in Fund Balance - Budget and Actual****For the Fiscal Year Ended December 31, 2022**

	Budgeted Amounts		Actual
	Original	Final	Amounts
Revenues			
Taxes			
Property Taxes	\$ 2,600,000	2,600,000	3,917,371
Investment Income	25,000	25,000	16,183
Miscellaneous	—	—	17,000
Total Revenues	2,625,000	2,625,000	3,950,554
Expenditures			
Community Development			
Contractual Services	288,810	288,810	215,516
Other	500	500	—
Capital Outlay	2,141,000	2,141,000	1,325,251
Debt Service			
Principal Retirement	690,000	690,000	690,000
Interest and Fiscal Charges	101,800	101,800	101,800
Total Expenditures	3,222,110	3,222,110	2,332,567
Excess (Deficiency) of Revenues			
Over (Under) Expenditures	(597,110)	(597,110)	1,617,987
Other Financing Sources (Uses)			
Disposal of Capital Assets	—	—	35,377
Transfers Out	—	—	(12,113,404)
	—	—	(12,078,027)
Net Change in Fund Balance	(597,110)	(597,110)	(10,460,040)
Fund Balance - Beginning			16,105,442
Fund Balance - Ending			5,645,402

VILLAGE OF MORTON GROVE, ILLINOIS

Statement of Revenues, Expenditures and Changes in Fund Balances - Governmental Funds For the Fiscal Year Ended December 31, 2022

	General	Special Lehigh/ Ferris Tax Increment Financing
Revenues		
Taxes	\$ 18,336,598	3,917,371
Intergovernmental	12,550,112	—
Charges for Services	1,624,804	—
Licenses and Permits	1,896,292	—
Fines and Forfeitures	252,068	—
Investment Income	144,188	16,183
Miscellaneous	(100,547)	17,000
Total Revenues	34,703,515	3,950,554
Expenditures		
General Government	4,251,844	—
Public Safety	23,110,495	—
Streets and Sidewalks	3,332,421	—
Vehicle Maintenance	921,143	—
Health and Human Services	26,201	—
Community Development	214,299	215,516
Building and Inspection Services	1,358,608	—
Capital Outlay	—	1,325,251
Debt Service		
Principal Retirement	—	690,000
Interest and Fiscal Charges	—	101,800
Total Expenditures	33,215,011	2,332,567
Excess (Deficiency) of Revenues Over (Under) Expenditures	1,488,504	1,617,987
Other Financing Sources (Uses)		
Disposal of Capital Assets	—	35,377
Transfers In	—	—
Transfers Out	(724,750)	(12,113,404)
	(724,750)	(12,078,027)
Net Change in Fund Balances	763,754	(10,460,040)
Fund Balances - Beginning	13,794,544	16,105,442
Fund Balances - Ending	14,558,298	5,645,402

Revenue					
Sawmill Station Tax Increment Financing	Lincoln Lehigh Tax Increment Financing	Debt Service	Capital Projects	Nonmajor	Totals
2,500,861	—	890,032	—	—	25,644,862
298,770	—	211,664	175,542	2,766,600	16,002,688
—	—	—	—	906,479	2,531,283
—	—	—	—	—	1,896,292
—	—	—	—	—	252,068
23,180	—	13,956	100,372	55,523	353,402
—	—	—	—	—	(83,547)
2,822,811	—	1,115,652	275,914	3,728,602	46,597,048
—	—	—	—	—	4,251,844
—	—	—	—	709,360	23,819,855
—	—	—	—	1,119,647	4,452,068
—	—	—	—	—	921,143
—	—	—	—	—	26,201
14,212	245,630	—	—	839,849	1,529,506
—	—	—	—	—	1,358,608
—	—	—	98,087	—	1,423,338
—	—	1,413,200	—	—	2,103,200
895,150	—	164,238	—	—	1,161,188
909,362	245,630	1,577,438	98,087	2,668,856	41,046,951
1,913,449	(245,630)	(461,786)	177,827	1,059,746	5,550,097
—	—	—	—	—	35,377
1,700,000	10,413,404	724,750	—	—	12,838,154
—	—	—	—	—	(12,838,154)
1,700,000	10,413,404	724,750	—	—	35,377
3,613,449	10,167,774	262,964	177,827	1,059,746	5,585,474
1,938,449	—	(388,243)	1,380,428	3,185,076	6,115,710
5,551,898	10,167,774	(125,279)	1,558,255	4,244,822	11,701,184

**INDEPENDENT AUDITORS' REPORT**

August 21, 2023

The Honorable Village President
Members of the Board of Trustees
Village of Morton Grove, Illinois

We have examined management's assertion included in its representation report that the Village of Morton Grove, Illinois, with respect to the Lehigh Ferris RPA, complied with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2022. As discussed in that representation letter, management is responsible for the Village of Morton Grove, Illinois' compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village of Morton Grove, Illinois' compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village of Morton Grove, Illinois' compliance with specified requirements.

In our opinion, management's assertion that the Village of Morton Grove, Illinois complied with the aforementioned requirements during the year ended December 31, 2022 is fairly stated in all material respects.

This report is intended solely for the information and use of the Village President, Board of Trustees, management, and the Illinois Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

Lauterbach & Amen, LLP

LAUTERBACH & AMEN, LLP