



**SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]**

**FY 2018**

<b>Name of Redevelopment Project Area (below):</b>  <p style="text-align: center;"><b>Tax Increment Financing District #3</b></p>	
<b>Primary Use of Redevelopment Project Area*:</b> Combination/Mixed	

\* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

<b>Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):</b> <p style="text-align: center;">                 Tax Increment Allocation Redevelopment Act                      <input checked="" type="checkbox"/>                  Industrial Jobs Recovery Law    <input type="checkbox"/> </p>	Industrial; Other Commercial
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**Please utilize the information below to properly label the Attachments.**

	No	Yes
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)] <b>If yes, please enclose the amendment (labeled Attachment A).</b>	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)] <b>Please enclose the CEO Certification (labeled Attachment B).</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)] <b>Please enclose the Legal Counsel Opinion (labeled Attachment C).</b>		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)] <b>If yes, please enclose the Activities Statement (labeled Attachment D).</b>		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)] <b>If yes, please enclose the Agreement(s) (labeled Attachment E).</b>		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)] <b>If yes, please enclose the Additional Information (labeled Attachment F).</b>	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)] <b>If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).</b>	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] <b>If yes, please enclose the Joint Review Board Report (labeled Attachment H).</b>		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)] <b>If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).</b>	X	
An analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage. [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] <b>If attachment I is yes, then Analysis MUST be attached and (labeled Attachment J).</b>	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) <b>If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).</b>		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)] <b>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).</b>		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)] <b>If yes, please enclose the list only, not actual agreements (labeled Attachment M).</b>		X

**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))**

Provide an analysis of the special tax allocation fund.

FY 2018

TIF NAME:

Tax Increment Financing District #3

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 712,069

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	\$ 12,329,014	\$ 194,188,310	84%
State Sales Tax Increment		\$ 3,501,444	2%
Local Sales Tax Increment		\$ 1,513,695	1%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 60,487	\$ 3,172,220	1%
Land/Building Sale Proceeds		\$ 336,148	0%
Bond Proceeds		\$ 5,399,925	2%
Transfers from Municipal Sources		\$ 8,256,560	4%
Private Sources		\$ 1,024,596	0%
Other (Grants \$424,975 - Reimbursements \$32,772 - Loan Proceeds \$455,122)	\$ 912,869	\$ 12,832,678	6%

All Amount Deposited in Special Tax Allocation Fund \$ 13,302,370

Cumulative Total Revenues/Cash Receipts \$ 230,225,576 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 12,690,263

Transfers to Municipal Sources

Distribution of Surplus

Total Expenditures/Disbursements \$ 12,690,263

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 612,107

FUND BALANCE, END OF REPORTING PERIOD\* \$ 1,324,176

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

## 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 2018

TIF NAME:

Tax Increment Financing District #3

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND  
(by category of permissible redevelopment project costs )

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	106,558	
Administration	1,416,005	
Dues	850	
		\$ 1,523,413
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
Marketing	37,803	
		\$ 37,803
4. Property assembly cost and site preparation costs.		
Demolitions	326,043	
Property Acquisition	3,779	
		\$ 329,822
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.		
Remodeling	1,279,614	
Transfer to Debt Service Fund 66 for Bonds for Remodeling of Police Department/City Hall	689,750	
Transfer to Debt Service Fund 46 for Bonds for Remodeling of Police Department/City Hall	586,163	
Repairs	7,500	
		\$ 2,563,027
6. Costs of the construction of public works or improvements.		
North Illinois Streetscape	1,500	
West Main Streetscape from 6th to 17th Street	167,604	
Transfer to Sewer Construction Fund	450,000	
Juanita Place	265,054	
Lakeshore Drive	45,943	
East A Street	20,482	
Baltimore Ave	9,500	
Other - See Attached Schedule for Additional Projects	1,388,837	\$ 2,348,920



SECTION 3.2 A

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.		
		\$ -
<b>TOTAL ITEMIZED EXPENDITURES</b>		<b>\$ 12,690,263</b>

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 2018

TIF NAME:

Tax Increment Financing District #3

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND

(by category of permissible redevelopment project costs )

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
6. Costs of construction.		
Infrastructure Improvements	124,340	
Ditch Program	81,264	
Asphalt Patch	98,521	
Union Avenue	26,000	
Sidewalk Projects	100,431	
Southside Park Improvements	563,200	
28th Street Island Improvements	8,919	
Foley Drive Improvements	6,617	
29th Street Sewer Improvements	13,300	
Parking Lot Improvements	6,345	
Laderman Park Improvements	359,900	
Total Carried Forward to Section 3.2A, Page 1, Item #6		\$ 1,388,837

**Section 3.2 B**

FY 2018

TIF NAME:

Tax Increment Financing District #3

*Optional: Information in the following sections is not required by law, but would be helpful in creating fiscal transparency.*

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

Name	Service	Amount
Bank of Belleville	Capital Costs	\$ 47,677.00
Banner Fire Equipment	Capital Costs	\$ 455,122.00
Belle Valley District 119	Capital Costs	\$ 527,092.00
Belleville H.S. District 201	Capital Costs	\$ 1,570,726.00
Belleville News Democrat	Marketing	\$ 20,145.00
Belleville School District 118	Capital Costs	\$ 1,944,789.00
Bob Ridings, Inc	Capital Costs	\$ 31,994.00
CJ Schlosser & Co LLC	Professional Services	\$ 10,468.00
CDS Office Technologies	Capital Costs	\$ 25,439.00
Christ Bros. Asphalt Inc	Const. of Public Works & Improve.	\$ 101,544.00
Clayton Holdings, LLC	Capital Costs	\$ 22,058.00
Commerce Bank	Remodeling & Capital Costs	\$ 149,426.00
Dell Marketing L.P.	Capital Costs	\$ 17,364.00
Ehret Plumbing & Heating, Inc.	Const. of Public Works & Improve.	\$ 86,951.00
Electrico, Inc.	Professional Services	\$ 54,334.00
Elliott Equipment Co	Capital Costs	\$ 148,050.00
Fournie Contracting Company, Inc	Const. of Public Works & Improve.	\$ 12,810.00
Hank's Excavating & Landscaping, Inc.	Const. of Public Works & Improve.	\$ 375,690.00
Harmony School District 175	Capital Costs	\$ 305,730.00
Hayes Contracting Inc	Demolitions	\$ 34,290.00
High Mount District 116	Capital Costs	\$ 15,378.00
Illinois Department of Transportation	Const. of Public Works & Improve.	\$ 15,537.00
IllinoisSouth Tourism	Marketing	\$ 10,000.00
Impact Strategies Inc	Remodeling	\$ 1,046,254.00
Kaskaskia Engineering Group LLC	Const. of Public Works & Improve.	\$ 174,181.00
Keel Engineering Inc	Const. of Public Works & Improve.	\$ 26,000.00
Landmark Ford	Capital Costs	\$ 26,385.00
Lawrence Group	Remodeling	\$ 33,200.00
Lindenwood University	Remodeling	\$ 150,000.00
Mettler Development	Const. of Public Works & Improve.	\$ 434,160.00
Musco Sports Lighting LLC	Const. of Public Works & Improve.	\$ 359,900.00
Paving Maintenance Supply Inc	Const. of Public Works & Improve.	\$ 18,324.00
See Attached Schedule for Additional Vendors		





**SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]**

**FY 2018**

**TIF NAME:**

**Tax Increment Financing District #3**

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

**Check here if no property was acquired by the Municipality within the Redevelopment Project Area.**

**Property Acquired by the Municipality Within the Redevelopment Project Area.**

Property (1):	2 Elmwood Drive (earnest money)
Street address:	2 Elmwood Drive
Approximate size or description of property:	2 Elmwood Drive
Purchase price:	3,000.00
Seller of property:	Estate of Della Brooks

Property (2):	326 N 10th Street
Street address:	326 N 10th Street
Approximate size or description of property:	326 N 10th Street
Purchase price:	779.25
Seller of property:	St. Clair County Trustee

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:	

## SECTION 5 - 20 ILCS 620/4.7 (7)(F)

PAGE 1

FY 2018

TIF Name:

Tax Increment Financing District #3

Page 1 is to 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. <b>NO</b> projects were undertaken by the Municipality Within the Redevelopment Project Area.	
2. The Municipality <b>DID</b> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
2a. The number of projects undertaken by the municipality within the Redevelopment Project Area:	132

LIST the 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)	\$ 97,925,347	\$ -	\$ -
Public Investment Undertaken	\$ 43,340,043	\$ -	\$ 2,015,973
Ratio of Private/Public Investment	2 7/27		0

\*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

**Project 1\*: Cleveland Ave Bridge Reconstruction**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 765,708		
Ratio of Private/Public Investment	0		0

**Project 2\*: Peterson Pond Dam**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 30,286		
Ratio of Private/Public Investment	0		0

**Project 3\*: 20th Street Overlay**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 7,278		
Ratio of Private/Public Investment	0		0

**Project 4\*: Traffic Signal Update**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 67,433		
Ratio of Private/Public Investment	0		0

**Project 5\*: Bikeways**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 494,667		
Ratio of Private/Public Investment	0		0

**Project 6\*: Bellevue Park**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 316,137		
Ratio of Private/Public Investment	0		0

**Project 7\*: Laderman Park**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	80,840	
Ratio of Private/Public Investment		0	0

**Project 8\*: Metrolink**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	200,000	
Ratio of Private/Public Investment		0	0

**Project 9\*: Belle Valley Detention Basin**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	15,063	
Ratio of Private/Public Investment		0	0

**Project 10\*: Streetscape Lighting**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	34,961	
Ratio of Private/Public Investment		0	0

**Project 11\*: Forest Gate**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	65,600	
Ratio of Private/Public Investment		0	0

**Project 12\*: Belle Valley Industrial**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	12,232	
Ratio of Private/Public Investment		0	0

**Project 13\*: 43rd Street Improvements**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	121,487	
Ratio of Private/Public Investment		0	0

**Project 14\*: Bellevue Park Restroom**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	21,550	
Ratio of Private/Public Investment		0	0

**Project 15\*: Pleasant Hill Restroom**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	118,966	
Ratio of Private/Public Investment		0	0

**Project 16\*: Mascoutah/Garfield Parking Area**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	55,112	
Ratio of Private/Public Investment		0	0

**Project 17\*: Monroe Ave RR Crossing**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	34,971	
Ratio of Private/Public Investment		0	0

**Project 18\*: 47th, 51st, 53rd St. Improvements**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	27,667	
Ratio of Private/Public Investment		0	0

**Project 19\*: Pleasant Hill Park Improvements**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	92,205	
Ratio of Private/Public Investment		0	0

**Project 20\*: Cambridge Park Improvements**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	54,813	
Ratio of Private/Public Investment		0	0

**Project 21\*: Hwy 15 & 17th St Intersection**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	105,055	
Ratio of Private/Public Investment		0	0

**Project 22\*: Storm Sewers & Drainage Basin**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	398,490	
Ratio of Private/Public Investment		0	0

**Project 23\*: Concrete & Sidewalk Improvements**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	2,444,825	
Ratio of Private/Public Investment		0	0

**Project 24\*: Main Street Streetscape**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	121,907	
Ratio of Private/Public Investment		0	0

**Project 25\*: Garnette Street Improvements**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	35,058	
Ratio of Private/Public Investment		0	0

<b>Project 26:</b>			
West Main Parking Lot			
Private Investment Undertaken (See Instructions)			\$ -
Public Investment Undertaken	\$ 17,750		
Ratio of Private/Public Investment	0		0

<b>Project 27:</b>			
City Hall Windows			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 37,610		
Ratio of Private/Public Investment	0		0

<b>Project 28:</b>			
Douglas & E Main; 6th & W Main Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 33,579		
Ratio of Private/Public Investment	0		0

<b>Project 29:</b>			
North Charles Streetscape			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 109,069		
Ratio of Private/Public Investment	0		0

<b>Project 30:</b>			
West Main Welcome Sign			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 75,190		
Ratio of Private/Public Investment	0		0

<b>Project 31:</b>			
Walnut Hill Cemetery Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 70,504		
Ratio of Private/Public Investment	0		0

<b>Project 32:</b>			
Parking Lots			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 195,372		
Ratio of Private/Public Investment	0		0

<b>Project 33:</b>			
Citizen Park Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 133,868		
Ratio of Private/Public Investment	0		0

<b>Project 34:</b>			
Pool Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 33,223		
Ratio of Private/Public Investment	0		0

<b>Project 35:</b>			
Scheel Street Station			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	51,255	
Ratio of Private/Public Investment		0	0

<b>Project 36:</b>			
South Jackson Street Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	134,355	
Ratio of Private/Public Investment		0	0

<b>Project 37:</b>			
11th Street Construction			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	508,047	
Ratio of Private/Public Investment		0	0

<b>Project 38:</b>			
Belleville Streetscape			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	855,260	
Ratio of Private/Public Investment		0	0

<b>Project 39:</b>			
North 15th Street & Donna Drive			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	322,725	
Ratio of Private/Public Investment		0	0

<b>Project 40:</b>			
Public Works Office			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	69,156	
Ratio of Private/Public Investment		0	0

<b>Project 41:</b>			
South Belt West Sewer Separation			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	2,870,268	
Ratio of Private/Public Investment		0	0

<b>Project 42:</b>			
South Fire Station			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	3,196,225	
Ratio of Private/Public Investment		0	0

<b>Project 43:</b>			
17th Street Extension and Widening			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	4,859,589	
Ratio of Private/Public Investment		0	0

<b>Project 44:</b>			
Old Caseyville/15th Street Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	111,419	
Ratio of Private/Public Investment		0	0

<b>Project 45:</b> Sandwedge @ 159 Project			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	291,179	
Ratio of Private/Public Investment		0	0

<b>Project 46:</b> 512 West Main - Parks & Recreation Bldg			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	1,809,720	
Ratio of Private/Public Investment		0	0

<b>Project 47:</b> Maintenance Campus/Salt Storage Bldg			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	606,967	
Ratio of Private/Public Investment		0	0

<b>Project 48:</b> Frank Scott Parkway Widening			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	745,067	
Ratio of Private/Public Investment		0	0

<b>Project 49:</b> Tower Plaza Road Extension			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	119,166	
Ratio of Private/Public Investment		0	0

<b>Project 50:</b> 95th & IL 157			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	278,090	
Ratio of Private/Public Investment		0	0

<b>Project 51:</b> U-Mark Inc.			
Private Investment Undertaken (See Instructions)	\$	70,000	
Public Investment Undertaken	\$	11,000	
Ratio of Private/Public Investment		6 4/11	0

<b>Project 52:</b> White Cottage			
Private Investment Undertaken (See Instructions)	\$	55,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 53:</b> Watt's Copy Systems			
Private Investment Undertaken (See Instructions)	\$	290,800	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 54:</b> Yaekel & Associates			
Private Investment Undertaken (See Instructions)	\$	145,000	
Public Investment Undertaken	\$	36,800	
Ratio of Private/Public Investment		3 63/67	0

<b>Project 55:</b>			
Shaw Management Corp			
Private Investment Undertaken (See Instructions)	\$	100,700	
Public Investment Undertaken	\$	20,000	
Ratio of Private/Public Investment		5 2/57	0

<b>Project 56:</b>			
Southwest Illinois Health Ventures			
Private Investment Undertaken (See Instructions)	\$	2,000,000	
Public Investment Undertaken	\$	150,000	
Ratio of Private/Public Investment		13 1/3	0

<b>Project 57:</b>			
Super Center of Belleville			
Private Investment Undertaken (See Instructions)	\$	180,000	
Public Investment Undertaken	\$	1,240	
Ratio of Private/Public Investment		145 5/31	0

<b>Project 58:</b>			
PTL Manufacturing			
Private Investment Undertaken (See Instructions)	\$	1,850,000	
Public Investment Undertaken	\$	169,071	
Ratio of Private/Public Investment		10 65/69	0

<b>Project 59:</b>			
RST LLC			
Private Investment Undertaken (See Instructions)	\$	844,000	
Public Investment Undertaken	\$	36,866	
Ratio of Private/Public Investment		22 42/47	0

<b>Project 60:</b>			
Plumbers & Pipefitters Local 101			
Private Investment Undertaken (See Instructions)	\$	3,371,000	
Public Investment Undertaken	\$	52,139	
Ratio of Private/Public Investment		64 17/26	0

<b>Project 61:</b>			
Manprit Hospitality			
Private Investment Undertaken (See Instructions)	\$	1,450,000	
Public Investment Undertaken	\$	60,000	
Ratio of Private/Public Investment		24 1/6	0

<b>Project 62:</b>			
McCullough's Flooring			
Private Investment Undertaken (See Instructions)	\$	850,000	
Public Investment Undertaken	\$	105,000	
Ratio of Private/Public Investment		8 2/21	0

<b>Project 63:</b>			
Meyer on Main			
Private Investment Undertaken (See Instructions)	\$	250,000	
Public Investment Undertaken	\$	100,000	
Ratio of Private/Public Investment		2 1/2	0

<b>Project 64:</b>			
Market Fresh Pizza			
Private Investment Undertaken (See Instructions)	\$	151,100	
Public Investment Undertaken	\$	6,600	
Ratio of Private/Public Investment		22 59/66	0

<b>Project 65:</b>			
Oliver C. Joseph			
Private Investment Undertaken (See Instructions)	\$	4,279,000	
Public Investment Undertaken	\$	141,667	
Ratio of Private/Public Investment		30 9/44	0

<b>Project 66:</b>			
Kelly's Limousine			
Private Investment Undertaken (See Instructions)	\$	2,300,000	
Public Investment Undertaken	\$	120,000	
Ratio of Private/Public Investment		19 1/6	0

<b>Project 67:</b>			
Lindenwood University			
Private Investment Undertaken (See Instructions)	\$	12,000,000	
Public Investment Undertaken	\$	2,815,580	\$ 600,000
Ratio of Private/Public Investment		4 11/42	0

<b>Project 68:</b>			
Lindenwood University			
Private Investment Undertaken (See Instructions)	\$	150,000	
Public Investment Undertaken	\$	75,000	
Ratio of Private/Public Investment		2	0

<b>Project 69:</b>			
Jimmy John's Gourmet Sandwiches			
Private Investment Undertaken (See Instructions)	\$	640,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 70:</b>			
BWE & TME, Inc			
Private Investment Undertaken (See Instructions)	\$	378,615	
Public Investment Undertaken	\$	8,000	
Ratio of Private/Public Investment		47 17/52	0

<b>Project 71:</b>			
Golden Years Adult Support Center			
Private Investment Undertaken (See Instructions)	\$	338,000	
Public Investment Undertaken	\$	13,508	
Ratio of Private/Public Investment		25 1/45	0

<b>Project 72:</b>			
Glazner Electric			
Private Investment Undertaken (See Instructions)	\$	350,000	
Public Investment Undertaken	\$	38,980	
Ratio of Private/Public Investment		8 93/95	0

<b>Project 73:</b>			
Fletcher's Kitchen & Tap			
Private Investment Undertaken (See Instructions)	\$	300,000	
Public Investment Undertaken	\$	24,000	
Ratio of Private/Public Investment		12 1/2	0

<b>Project 74:</b>			
Ehret Plumbing & Heating			
Private Investment Undertaken (See Instructions)	\$	1,000,000	
Public Investment Undertaken	\$	170,665	
Ratio of Private/Public Investment		5 55/64	0

<b>Project 75:</b>			
Benoist Brothers Supply Co			
Private Investment Undertaken (See Instructions)	\$	1,300,000	
Public Investment Undertaken	\$	126,415	
Ratio of Private/Public Investment		10 19/67	0

<b>Project 76:</b>			
Bank of Belleville			
Private Investment Undertaken (See Instructions)	\$	520,000	
Public Investment Undertaken	\$	50,000	
Ratio of Private/Public Investment		10 2/5	0

<b>Project 77:</b>			
B & D Industrial Properties			
Private Investment Undertaken (See Instructions)	\$	600,000	
Public Investment Undertaken	\$	47,295	
Ratio of Private/Public Investment		12 35/51	0

<b>Project 78:</b>			
Bully's Smokehouse			
Private Investment Undertaken (See Instructions)	\$	700,000	
Public Investment Undertaken	\$	6,000	
Ratio of Private/Public Investment		116 2/3	0

<b>Project 79:</b>			
Auffenberg Ford			
Private Investment Undertaken (See Instructions)	\$	1,000,000	
Public Investment Undertaken	\$	2,367,867	
Ratio of Private/Public Investment		19/45	0

<b>Project 80:</b>			
Stargazers Entertainment			
Private Investment Undertaken (See Instructions)	\$	750,000	
Public Investment Undertaken	\$	108,050	
Ratio of Private/Public Investment		6 16/17	0

<b>Project 81:</b>			
George Renner & Sons Funeral Home			
Private Investment Undertaken (See Instructions)	\$	308,000	
Public Investment Undertaken	\$	75,000	
Ratio of Private/Public Investment		4 8/75	0

<b>Project 82:</b>			
Dr. Cynthia Littlefield DMD			
Private Investment Undertaken (See Instructions)	\$	230,000	
Public Investment Undertaken	\$	8,300	
Ratio of Private/Public Investment		27 59/83	0

<b>Project 83:</b>			
Howard Concrete Pumping			
Private Investment Undertaken (See Instructions)	\$	1,100,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 84:</b>			
DaVita Dialysis			
Private Investment Undertaken (See Instructions)	\$	2,100,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 85:</b>			
Legend Holdings			
Private Investment Undertaken (See Instructions)	\$	870,000	
Public Investment Undertaken	\$	17,500	
Ratio of Private/Public Investment		49 5/7	0

<b>Project 86:</b>			
Contractors Roofing & Supply			
Private Investment Undertaken (See Instructions)	\$	590,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 87:</b>			
North Illinois Streetscape			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	2,274,255	
Ratio of Private/Public Investment		0	0

<b>Project 88:</b>			
Dapron Drive			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	1,060,712	
Ratio of Private/Public Investment		0	0

<b>Project 89:</b>			
BiCentennial Park			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	1,178,624	
Ratio of Private/Public Investment		0	0

<b>Project 90:</b>			
North 37th Street Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	46,059	
Ratio of Private/Public Investment		0	0

<b>Project 91:</b>			
The EDGE			
Private Investment Undertaken (See Instructions)	\$	5,340,000	
Public Investment Undertaken	\$	5,175	\$ 48,420
Ratio of Private/Public Investment		1031 61/69	0

<b>Project 92:</b>			
IL 15 Interchange @ 158			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	32,732	
Ratio of Private/Public Investment		0	0

<b>Project 93:</b>			
East Washington Coupler			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	112,000	
Ratio of Private/Public Investment		0	0

<b>Project 94:</b>			
Fletcher's Kitchen & Tap			
Private Investment Undertaken (See Instructions)	\$	45,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 95:</b>			
The Abbey			
Private Investment Undertaken (See Instructions)	\$	945,000	
Public Investment Undertaken			\$ 23,135
Ratio of Private/Public Investment		0	0

<b>Project 96:</b>			
The Atrium of Belleville			
Private Investment Undertaken (See Instructions)	\$	1,500,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 97:</b>			
Kroger Limited Partnership			
Private Investment Undertaken (See Instructions)	\$	2,900,000	
Public Investment Undertaken	\$	200,000	
Ratio of Private/Public Investment		14 1/2	0

<b>Project 98:</b>			
Midwest Plumbing			
Private Investment Undertaken (See Instructions)	\$	6,000	
Public Investment Undertaken	\$	15,000	
Ratio of Private/Public Investment		2/5	0

<b>Project 99:</b>			
M. Hubbard Construction			
Private Investment Undertaken (See Instructions)	\$	350,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 100:</b>			
TJBC, Inc. - 4604 West Main			
Private Investment Undertaken (See Instructions)	\$	1,643,000	
Public Investment Undertaken	\$	11,761	\$ 35,824
Ratio of Private/Public Investment		139 65/93	0

<b>Project 101:</b>			
Juanita Place			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	1,083,371	
Ratio of Private/Public Investment		0	0

<b>Project 102:</b>			
Lincoln Avenue			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	346,425	
Ratio of Private/Public Investment		0	0

<b>Project 103:</b>			
Glenview Resurfacing			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	73,939	
Ratio of Private/Public Investment		0	0

<b>Project 104:</b>			
Parking Lot Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	245,393	
Ratio of Private/Public Investment		0	0

<b>Project 105:</b> South First Street			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	205,536	
Ratio of Private/Public Investment		0	0

<b>Project 106:</b> IL 13/Freeburg Avenue Roundabout			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	258,358	
Ratio of Private/Public Investment		0	0

<b>Project 107:</b> West Belleville Bike Trail			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	370,483	
Ratio of Private/Public Investment		0	0

<b>Project 108:</b> South 8th Street			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	797,884	
Ratio of Private/Public Investment		0	0

<b>Project 109:</b> West Main Streetscape from 6th to 17th Street			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	334,429	
Ratio of Private/Public Investment		0	0

<b>Project 110:</b> Southside Park Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	709,046	
Ratio of Private/Public Investment		0	0

<b>Project 111:</b> Hough Park Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	183,372	
Ratio of Private/Public Investment		0	0

<b>Project 112:</b> MAC Medical, Inc.			
Private Investment Undertaken (See Instructions)	\$	930,000	
Public Investment Undertaken	\$	15,000	
Ratio of Private/Public Investment		62	0

<b>Project 113:</b> Pro-Pack Testing Laboratory, Inc.			
Private Investment Undertaken (See Instructions)	\$	365,532	
Public Investment Undertaken			\$ 5,695
Ratio of Private/Public Investment		0	0

<b>Project 114:</b> St. Paul's Home			
Private Investment Undertaken (See Instructions)	\$	29,500,000	
Public Investment Undertaken	\$	250,000	
Ratio of Private/Public Investment		118	0

<b>Project 115:</b>			
Empire Comfort Systems, Inc.			
Private Investment Undertaken (See Instructions)	\$	327,600	
Public Investment Undertaken			\$ 25,275
Ratio of Private/Public Investment		0	0

<b>Project 116:</b>			
East A Street			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	151,457	
Ratio of Private/Public Investment		0	0

<b>Project 117:</b>			
Lakeshore Drive			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	63,471	
Ratio of Private/Public Investment		0	0

<b>Project 118:</b>			
29th Street			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	60,716	
Ratio of Private/Public Investment		0	0

<b>Project 119:</b>			
Precision Practice Management, Inc.			
Private Investment Undertaken (See Instructions)	\$	250,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 120:</b>			
City Hall remodeling			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	1,929,454	
Ratio of Private/Public Investment		0	0

<b>Project 121:</b>			
Nichols Center Retaining Wall			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	49,940	
Ratio of Private/Public Investment		0	0

<b>Project 122:</b>			
Shooting Range Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	65,000	
Ratio of Private/Public Investment		0	0

<b>Project 123:</b>			
Entrance Park Retaining Wall			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	72,244	
Ratio of Private/Public Investment		0	0

<b>Project 124:</b>			
Marketplace Redevelopment (SonomaCap II)			
Private Investment Undertaken (See Instructions)	\$	3,000,000	
Public Investment Undertaken	\$	275,000	
Ratio of Private/Public Investment		10 10/11	0

<b>Project 125:</b> TJBC, Inc - 6435 West Main St			
Private Investment Undertaken (See Instructions)	\$	1,605,000	
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

<b>Project 126:</b> Baltimore Ave			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	9,500	
Ratio of Private/Public Investment		0	0

<b>Project 127:</b> Union Ave			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	26,000	
Ratio of Private/Public Investment		0	0

<b>Project 128:</b> 29th St Sewer Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	13,300	
Ratio of Private/Public Investment		0	0

<b>Project 129:</b> Laderman Park Lighting Improvements			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	359,900	
Ratio of Private/Public Investment		0	0

<b>Project 130:</b> Auffenberg Ford (2017)			
Private Investment Undertaken (See Instructions)	\$	2,000,000	
Public Investment Undertaken			\$ 1,200,000
Ratio of Private/Public Investment		0	0

<b>Project 131:</b> SonomaCap RE Fund III, LLC			
Private Investment Undertaken (See Instructions)	\$	2,627,000	
Public Investment Undertaken	\$	235,000	
Ratio of Private/Public Investment		11 5/28	0

<b>Project 132:</b> Marco Investment Group, LLC			
Private Investment Undertaken (See Instructions)	\$	1,180,000	
Public Investment Undertaken			\$ 77,624
Ratio of Private/Public Investment		0	0



# CITY OF BELLEVILLE, ILLINOIS



MARK W. ECKERT, MAYOR  
101 SOUTH ILLINOIS STREET  
BELLEVILLE, ILLINOIS 62220-2105  
(618) 233-6810

October 5, 2018

C.J. Schlosser & Company, L.L.C.  
233 East Center Drive  
P.O. Box 416  
Alton, IL 62002

RE: Tax Increment Financing District #3, Tax Increment Financing District # 8  
Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax  
Increment Financing District #10 Lower Richland Creek, Tax Increment Financing  
District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman  
Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing  
District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount,  
Tax Increment Financing District #16 Route 15 West, Tax Increment Financing District  
#17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment  
Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20  
Rt.15/South Greenmount, Tax Increment Financing District #21 Belle Valley Phase III,  
and Tax Increment Financing District #22 Route 15 North.

Dear Gentlemen / Ladies:

I, Mark W. Eckert, the duly elected Mayor of the City of Belleville, Illinois, County of St. Clair, and as such, do hereby certify that the City of Belleville has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the municipal fiscal year ending May 1, 2017- April 30, 2018 to the best of my knowledge and belief.

Sincerely,

City of Belleville

Mark W. Eckert  
Mayor

# CITY OF BELLEVILLE, ILLINOIS



**GARRETT P. HOERNER, CITY ATTORNEY**  
5111 WEST MAIN STREET  
BELLEVILLE, ILLINOIS 62226-4728  
Phone: (618) 235-0020  
Fax: (618) 235-8558  
E-Mail: gphoerner@belleville.net

October 5, 2018

C.J. Schlosser  
233 East Center Drive  
P.O. Box 416  
Alton, Illinois 62002

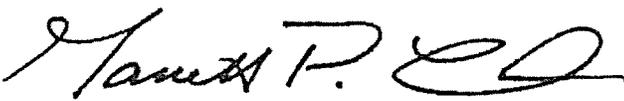
**Re: Illinois Tax Increment Redevelopment Act:  
Fiscal Year 2018 (May 1, 2017 through April 30, 2018)**

**Tax Increment Financing District #3, Tax Increment Financing District #8  
Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax  
Increment Financing District #10 Lower Richland Creek, Tax Increment Financing  
District #11 Industrial Jobs Recovery, Tax Increment Financing District #12  
Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment  
Financing District #14 Route 15 East, Tax Increment Financing District #15  
Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 West, Tax  
Increment Financing District #17 East Main Street, Tax Increment Financing  
District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott  
Parkway, Tax Increment Financing District #20 Rt.15/South Greenmount, Tax  
Increment Financing District #21 Belle Valley Phase III and Tax Increment  
Financing District #22 Route 15 North.**

Mr. Schlosser:

As City Attorney for the City of Belleville, Illinois (City), I have reviewed all information provided to me by the Mayor and his staff for the period May 1, 2017 through April 30, 2018 (FY2018). I find that the City has conformed to all applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act set forth thereunder, to the best of my knowledge and belief.

This opinion relates only to the time period set forth and is based upon information available to me.

By:   
Garrett P. Hoerner

PART II - ACTIVITIES

During its Fiscal Year ending April 30, 2018, the City of Belleville undertook or assisted in the following activities within its Tax Increment Financing Districts:

- TIF #3            \$4,678,178 of tax incentive rebates were issued to school districts and \$1,761 of tax incentive rebates were issued to businesses. This District performed work on several infrastructure projects such as West Main Streetscape, Union Avenue, Juanita Place, and Lakeshore Drive, in addition to needed demolition activity. This District also paid expenditures toward the City Hall renovation.
- TIF #8            \$27,427 of tax incentive rebates were issued to a business.
- TIF #9            No Material Activity.
- TIF #10           \$845,684 was paid a developer to reimburse for costs incurred for improvements that are part of a developer agreement.
- TIF #11           No Material Activity.
- TIF #12           No Material Activity.
- TIF #13           No Material Activity.
- TIF #14           No Material Activity.
- TIF #15           This District paid out tax incentive rebates of \$834,555 for costs incurred for improvements that are part of a developer agreement related to a retail complex located near Greenmount Road. This District also retired bond debt related to the retail complex.
- TIF #16           This District paid out tax incentive rebates of \$63,717 to a business. This District also incurred expense related to the Bicentennial Park improvements.
- TIF #17           This District incurred expense of \$63,754 for street and sidewalk improvements.
- TIF #18           No Material Activity.
- TIF #19           This District paid out tax incentive rebates of \$490,251 to a business as part of a developer agreement and retired bond debt related to that agreement.
- TIF #20           This District paid out tax incentive rebates of \$75,820 to a business.
- TIF #21           No Material Activity.
- TIF #21           No Material Activity.

ATTACHMENT E

DEVELOPMENT AGREEMENT

This agreement made this 17<sup>th</sup> day of July, 2017 by and between the City of Belleville, Illinois (the "City") and Auffenberg Ford, Inc. ("Auffenberg Ford, Inc.");

WITNESSETH:

WHEREAS, Auffenberg Ford, Inc. intends on investing a minimum of \$2,000,000.00 to complete the remodeling of the existing facility located at 901 South Illinois Street in Belleville (the "Project"), and;

WHEREAS, the parties have reached an agreement in order to set forth the terms upon which the City would provide certain economic incentives for the Project and the terms upon which Auffenberg Ford, Inc. would provide jobs at said location, and;

Responsibilities of the City of Belleville

1. Reimburse Auffenberg Ford, Inc. \$240,000.00 in TIF #3 funds annually for five (5) years for TIF eligible expenses directly related to improvements completed at 901 S. Illinois St., after receipt of documentation of eligible costs incurred. Payments will be due to Auffenberg Ford, Inc. no later than October 1st of each year.

Responsibilities of Auffenberg Ford, Inc.

- A. Invest no less than \$2,000,000.00 at 901 S. Illinois St. limited to the remodeling of the existing facility no later than December 31, 2018, and;
- B. Retain 69 FTE employees, and;
- C. Create three (3) additional FTE jobs within the first year of operation, and;
- D. Create three (3) additional FTE jobs within the second year of operation, and;
- E. Commit to annual sales subject to sales tax of no less than \$24,000,000.00, and;
- F. Auffenberg Ford, Inc. and any heirs and/or successors shall remain and operate at the site for no less than fifteen (15) years, and;
- G. Compliance with all existing and applicable Federal, State, County and Local laws and ordinances.

Penalties

In the event that Auffenberg Ford, Inc. fails to meet its obligations under Sections (A), (B), (C), (D), (E), (F) or (G) of the section entitled "Responsibilities of Auffenberg Ford, Inc." of the Development Agreement, all public funds provided under (1) of the section entitled "Responsibilities of the City of Belleville" received to date as per the Development Agreement from the City of Belleville shall be repaid to the City of Belleville and all remaining amounts to be provided if any, shall be terminated.

Miscellaneous

1. Entire Agreement. This Agreement and any written amendments hereto shall constitute the entire agreement between the parties. Neither party shall be bound by any terms, conditions, statements or representatives, not herein contained. Each party hereby acknowledges that in executing this Agreement it has not been induced, persuaded or motivated by any promise or representation made by the other party, unless expressly set forth herein. All previous negotiations, statements and preliminary agreements by the parties or their representatives are merged in this Agreement.
2. Validity. It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is held by a court of law to be illegal or in conflict with any law of the State of Illinois, the validity of the remaining portions or provisions shall not

be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.

3. Notices. Notices, or other communications required or which may be given under this Agreement shall be in writing, and delivered either personally, or by certified or registered mail, to the addresses indicated for each party below after their respective signatures, or to such other address as designated by a party similar notice to the other party. Date of notice shall be the date of delivery in the case of delivered notice or the date of posting in the mail in the case of mail notice.
4. Signage. Agree to allow City to place on the premises a sign indicating financial assistance has been provided by the City of Belleville for a minimum of fifteen (15) days each before and after opening of the facility.
5. Current with Payments. Agree to pay in full the City of Belleville on any outstanding invoices containing the name or names of the individual, company and/or corporation receiving the said inducements.
6. Execution of Agreement. If this agreement is not fully executed within sixty (60) days of City Council approval, it shall be considered null and void.
7. Prevailing Wage. Projects receiving incentives/inducements from the City of Belleville will be required to comply with the President's executive order no. 11246, as amended (prevailing wage).
8. Superseder. This Agreement supersedes and replaces any and all prior agreements and understandings between the City and Auffenberg Ford, Inc., with respect to the subject matter hereof.
9. Request of Payment. The party receiving inducements must officially request payment from the City. This must be done via letter to include documentation of costs incurred as outlined in the section titled "Responsibilities of Auffenberg Ford, Inc.".
10. Compliance Reporting. Agree to submit Annual Certification of Compliance With Development Agreement form to document compliance with items as outlined in the section titled "Responsibilities of Auffenberg Ford, Inc.". Such reporting is required for the life of the agreement, which is defined as the timeframe of the commitment to remain and operate at the project location as identified in the section titled "Responsibilities of Auffenberg Ford, Inc.".

CITY OF BELLEVILLE, ILLINOIS  
City Hall  
101 South Illinois Street  
Belleville, Illinois 62220

By: Mark W. Ecker  
MAYOR

ATTEST: AMS  
CITY CLERK

Auffenberg Ford, Inc.  
901 South Illinois St.  
Belleville, IL 62220

By: Mike Auffenberg  
Mike Auffenberg, General Manager

---

**REDEVELOPMENT AGREEMENT**

Dated as of September 21, 2017

by and between

**CITY OF BELLEVILLE, ILLINOIS**

and

**SONOMACAP RE FUND III, LLC**

relating to:

**WEST MAIN RESIDENTIAL REDEVELOPMENT PROJECT**

**CITY OF BELLEVILLE, ILLINOIS**

---

## REDEVELOPMENT AGREEMENT

**THIS REDEVELOPMENT AGREEMENT** (the "Agreement") is made and entered into as of September 21<sup>st</sup>, 2017, by and among the **CITY OF BELLEVILLE, ILLINOIS** (the "City"), an incorporated municipality of the State of Illinois, and **SONOMACAP RE FUND III, LLC**, an Illinois limited liability company (the "Developer").

### RECITALS

1. The City believes that the redevelopment of the Tax Increment Financing Area is in the vital and best interests of the City and the health, safety, morals and welfare of its residents, and in accordance with the public purposes and provisions of the applicable federal, state, and local laws.

2. The City has determined that the Developer possesses the experience and qualifications to undertake the Redevelopment Project (as hereinafter defined).

3. In order to induce the Developer to undertake the Redevelopment Project, the City desires to pledge and expend Tax Increment Financing Revenues (as hereinafter defined) to facilitate the financing of the Redevelopment Project.

4. Pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 through 65 ILCS 5/11-74.4-11 of the Illinois Compiled Statutes, as amended (the "TIF Act"), the City Council, by Ordinance No. 4352 adopted on 12/39/86, and amended by Ordinance No. 6628 adopted on 3/17/04, adopted and approved a redevelopment plan entitled "TIF III Redevelopment Plan and Project" dated 12/30/86 (the "Redevelopment Plan") and designated as the "TIF III Redevelopment Project Area" a certain portion of the City described therein (the "Redevelopment Project Area").

5. The Developer has determined that the Redevelopment Project is not economically feasible using traditional development financing and is unwilling to undertake the Redevelopment Project and pay costs connected with the Redevelopment Project unless the City agrees that the Tax Increment Financing Revenues (as hereinafter defined) will be used to pay for the costs incurred by the Developer in completing the Redevelopment Project.

6. Pursuant to provisions of the TIF Act, the City is authorized to enter into this Agreement and to pledge the Tax Increment Financing Revenues to the Developer as a means of assisting in financing of the Redevelopment Project.

### AGREEMENT

Now, therefore, in consideration of the premises and promises contained herein and other good and valuable consideration, the adequacy and sufficiency of which are hereby acknowledged, the parties hereto agree as follows:

## ARTICLE I.

### DEFINITIONS AND FINDINGS

**1.1. Definitions.** As used in this Agreement, the following words and terms shall have the following meanings:

**“Acts”** means, collectively, the Illinois Municipal Code and the Tax Increment Financing District Act, all as supplemented and amended.

**“Agreement”** means this Redevelopment Agreement, as the same may be from time to time modified, amended or supplemented in writing by the parties hereto.

**“Authorized City Representative”** means the Mayor of the City, or such other Person at the time designated to act on behalf of the City.

**“Business Day”** means a day which is not a Saturday, Sunday or any other day on which banking institutions in the City are required or authorized to close.

**“Certificate of Substantial Completion”** means a document substantially in the form of **Exhibit D** attached hereto, issued by the Developer to the City in accordance with this Agreement and evidencing the Developer’s substantial completion of the Redevelopment Project.

**“Certification of Reimbursable Redevelopment Project Costs”** means a document, substantially in the form of **Exhibit E** attached hereto, provided by the Developer to the City evidencing Reimbursable Redevelopment Project Costs incurred by the Developer.

**“City”** means the City of Belleville, Illinois, a municipal corporation and political subdivision of the State

**“Code”** means the Internal Revenue Code of 1986, as amended, and the applicable regulations, temporary regulations and proposed regulations thereunder.

**“Concept Site Plan”** means the site development plan attached hereto as **Exhibit C** and incorporated herein by this reference, which depicts the conceptual program for the Work and the Redevelopment Project, which is in accordance with the TIF Redevelopment Plan, and which shall be subject to change from time to time in accordance with the provisions of **Sections 3.6.2** hereof and provided that the site plan approved by the City pursuant to its zoning ordinance or any other approval process with the City, shall constitute the Concept Site Plan for the purposes of this Agreement, to the extent of any changes from the original Concept Site Plan attached hereto.

**“Construction Plans”** means plans, drawings, specifications and related documents, and construction schedules for the construction of the Work, together with all supplements, amendments or corrections, submitted by the Developer and approved by the City in accordance with this Agreement.

**“Corporate Authorities”** means the corporate authorities of the City.

**“Developer”** means SonomaCap RE Fund III, LLC, an Illinois limited liability company and its permitted successors and assigns.

**“Governmental Approvals”** means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, variances, building permits, or other subdivision, zoning, or similar approvals required for the implementation of the Redevelopment Project and the Work and consistent with the TIF Redevelopment Plan, the Concept Site Plan and this Agreement.

**“Mayor”** means the Mayor of the City or his/her duly authorized agent.

**“Person”** means any natural person, firm, partnership, association, corporation, limited liability company or public body.

**“Pledged Revenues”** means the Tax Increment Financing District Revenues pledged to the Developer pursuant to the terms of this Agreement.

**“Property”** means that portion of the real property within or around the Tax Increment Financing District III Area (including but not limited to all options held by third parties, fee interests, leasehold interests, tenant-in-common interests and such other like or similar interests) and existing improvements in or around the Tax Increment Financing District III Area, excluding public rights-of-way, as the Developer deems reasonably necessary for the implementation of the Redevelopment Project and the Work.

**“Redevelopment Project”** means the Redevelopment Project within Tax Increment Financing District III Area described on the Concept Site Plan, subject to change from time to time in accordance with the provisions hereof.

**“Redevelopment Project Costs”** means all reasonable or necessary costs actually incurred in performing the Work and any such costs incidental to the TIF Redevelopment Plan or the Redevelopment Project. Such costs include, but are not limited to, the following: (a) costs of all due diligence permitted hereunder, including studies, surveys, plans, reports, tests and specifications; (b) professional service costs, including, but not limited to, architectural, engineering, legal, marketing, financial, planning or special services; (c) costs of demolition of buildings and the clearing and grading of land; (d) costs of rehabilitation, reconstruction, or repair or remodeling of existing buildings and fixtures; (e) costs of construction of public works or improvements; (f) all or a portion of a taxing district’s capital costs resulting from the Redevelopment Project necessarily incurred or to be incurred in furtherance of the objectives of the TIF Redevelopment District Plan and the Redevelopment Project, to the extent the City by written agreement accepts and approves such costs; (g) payments in lieu of taxes; and (h) all other costs authorized for reimbursement pursuant to the Business District and the Acts.

**“Reimbursable Redevelopment Project Costs”** means those Redevelopment Project Costs that are reimbursable under **Article V** hereof, as described in **Exhibit F** attached hereto.

**“Related Party”** means any party related to the Developer by one of the relationships described in Section 267(b) of the United States Internal Revenue Code of 1986, as amended.

“**State**” means the State of Illinois.

“**Taxing District**” means any political subdivision of the State having the power to levy ad valorem property taxes within the TIF District Area.

“**TIF Project Costs**” means all reasonable or necessary costs actually incurred in performing the Developer Project and specifically defined under the term redevelopment costs” in the TIF Act and as further set forth on Exhibit F attached hereto.

“**TIF Revenues**” means all tax increment financing revenues generated within the Developer Project Area, reduced by the School District Incremental Property Taxes, which shall be deposited into the Special Allocation Fund in accordance with the Redevelopment Plan and TIF Act.

“**Work**” means all work necessary to prepare the Property and to construct the Redevelopment Project, including but not limited to: (1) construction of the public improvements, (2) storm sewers, stormwater control, detention facilities and other infrastructure improvements required by the U.S. Army Corps of Engineers, IEPA, IDNR, St. Clair County, the City or any other entity in order to obtain all necessary approvals and permits, (3) water mains, and (4) construction, reconstruction and/or relocation of other utilities, including the burying or relocation of electrical lines in accordance with the City’s municipal code; (5) demolition and removal of any existing buildings and improvements located on the Property and clearing and grading of the Property; (6) construction of retaining structures and wetland mitigation; (7) construction and/or rehabilitation of the commercial buildings and structures, and parking fields, and screening and site landscaping on the Property, as described in the Redevelopment Proposal and as modified from time to time in accordance with the Concept Site Plan; (8) environmental remediation with respect to the Property; and (9) all other Work described in the Redevelopment Proposal, as modified by the Concept Site Plan, or reasonably necessary to effectuate the intent of this Agreement.

## **ARTICLE II. ACCEPTANCE OF PROPOSAL**

**2.1. Developer Designation.** The City hereby selects the Developer and grants to the Developer the exclusive right to perform the Work in accordance with the Concept Site Plan, this Agreement and all Governmental Approvals.

**2.2. Developer Advance of Funds.** Except as provided herein, the Developer agrees to advance all Redevelopment Project Costs as necessary to complete the Work, all subject to the provisions hereof.

**2.3 Reimbursable Redevelopment Project Costs.** All sums advanced by the Developer under this Article II shall constitute Reimbursable Redevelopment Project Costs to be reimbursed to the Developer from the proceeds of existing Tax Increment Financing III Special Tax Allocation Fund Revenues, to the extent permitted by law.

**ARTICLE III.**

**SCHEDULE; CONSTRUCTION OF REDEVELOPMENT PROJECT; CITY APPROVALS**

**3.1. Compliance with State and Local Laws.** The Developer's performance pursuant to this Agreement shall be in compliance with applicable state and local laws. The Construction Plans, construction practices and procedures with respect to the Work, and construction contracts shall be in conformity with all applicable state and local laws, ordinances and regulations.

**3.2. Project and Construction Schedule.** The Developer shall commence and complete each of its obligations under this Agreement with respect to the construction and completion of the Work, and the Redevelopment Project, including the Redevelopment Project, in accordance with the following schedule:

<u>Activity</u>	<u>Time for Performance</u>
Developer shall have acquired the property and filed all documents required for site plan approval	No later than 30 days following the date of this Agreement
Developer shall cause to have commenced construction of the Work	Within 120 days after the date of this Agreement
Developer shall have achieved or caused Substantial Completion and submitted a Certificate of Substantial Completion, with respect thereto, that is accepted by the City	Within nine (9) months after the date of this Agreement

**3.3. Developer to Construct the Redevelopment Project.** The Developer shall cause completion of all of the Work in accordance with the schedule set forth in **Section 3.2.**

**3.4. Governmental Approvals; Extensions of Time.** The City agrees to cooperate with the Developer and to process and timely consider all applications for the Governmental Approvals as received, including timely rezoning and subdivision of the Property, all in accordance with the applicable City ordinances and laws of the State of Illinois. Notwithstanding any provision of this Agreement to the contrary, the Developer may, upon reasonable cause shown by the Developer, request the Mayor or his designee to extend or waive times for performance. The Mayor or his designee may, but is not required to, consent to such extensions or waivers without further action by the Corporate Authorities.

**3.5. Concept Site Plan.**

**3.5.1. Approval of Concept Site Plan.** The Concept Site Plan is hereby approved.

**3.5.2. Changes.** During the progress of the Work, the Developer may make changes to the Concept Site Plan or any aspect thereof as site conditions or other issues of feasibility may dictate or as may be necessary or desirable in the sole determination of the Developer to enhance the economic viability of the Redevelopment Project as may be in furtherance of the general objectives of the Redevelopment Plan; provided, however, that the Developer may not make any Material Changes to the Concept Site Plan without the advance written consent of the City.

### **3.6. Construction Plans.**

**3.6.1. Standards.** The Construction Plans shall be prepared by a professional engineer or architect licensed to practice in the State of Illinois and the Construction Plans and all construction practices and procedures with respect to the Work shall be in conformity with all applicable state and local laws, ordinances and regulations. The Developer shall submit Construction Plans for approval by the City in sufficient time so as to allow for review of the plans in accordance with applicable City ordinances and procedures and in accordance with the schedule set forth in **Sections 3.2 and 3.4**. The plans shall be in sufficient completeness and detail to show that construction will be in conformance with the Concept Site Plan, the Redevelopment Plan and this Agreement.

**3.6.2. Changes.** During the progress of the Work the Developer may make such reasonable changes, including, without limitation, modification of the construction schedule, including dates of commencement and completion, modification of the areas in which the Work is to be performed, relocation, expansion or deletion of items, revisions to the areas and scope of Work, and any and all such other changes as site conditions or orderly development may dictate or as may be required to meet any reasonable requests of prospective tenants, residential or commercial developers, or purchasers of any real property located within the Redevelopment Project Area or as may be necessary or desirable, in the sole determination of the Developer, to enhance the economic viability of the Redevelopment Project or the Redevelopment Project and as may be in furtherance of the general objectives of the Redevelopment Plan; provided that (i) the Developer shall obtain all necessary approvals and comply with all laws, regulations and ordinances of the City and (ii) the Developer shall obtain the City's advance written consent to any Material Change.

**3.6.3. Certificate of Substantial Completion.** Promptly after the Developer achieves Substantial Completion in accordance with the provisions of this Agreement, the Developer will furnish to the City a Certificate of Substantial Completion so certifying. The City shall, within 30 days following delivery of the Certificate of Substantial Completion, carry out such inspections as are reasonable and necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. The Certificate of Substantial Completion shall be deemed accepted by the City unless, prior to the end of such 30-day period after delivery to the City of the Certificate of Substantial Completion, the City furnishes the Developer with specific written objections describing such objections and the measures required to correct such objections in reasonable detail. Upon acceptance of the Certificate of Substantial Completion by the City or upon the lapse of 30 days after delivery thereof to the City without any written objections thereto, the Developer may record the Certificate of Substantial Completion with the St. Clair County Recorder, and the same shall constitute evidence of the satisfaction of the Developer's agreements and covenants to perform

all Work with respect to the Redevelopment Project. The Certificate of Substantial Completion shall be in substantially the form attached as **Exhibit D** hereto and incorporated by referenced herein.

**ARTICLE IV.**

**REIMBURSEMENT OF DEVELOPER COSTS**

**4.1. City’s Obligation to Reimburse Developer.** The City agrees to reimburse the Developer for the verified Reimbursable Redevelopment Project Costs of the Redevelopment Project in the amounts and as set forth on **Exhibit F**, through the direct payment to the Developer. The amount reimbursed to the Developer from the TIF Revenues, shall not exceed the sum of Two Hundred Thirty-Five Thousand Dollars (\$235,000.00) in the aggregate. The City hereby pledges the Pledged Revenues to the reimbursement of costs incurred by the Developer.

**4.2 City’s Obligation to Provide TIF Assistance.** The City agrees to provide the Developer with a TIF reimbursements prior to the generation of any TIF Revenues. These reimbursements are to be paid in the following manner:

**4.2.1** The City will reimburse the Developer an amount equal to \$65,000 within 30 days after approval of this Agreement or the occurrence of the Developer acquiring the subject properties, whichever is later.

**4.2.2** The City will reimburse the Developer an amount not to exceed \$170,000 within 60 days after building(s) have been demolished, the removal of all debris, and properties have been sufficiently cleaned and prepared for future redevelopment activities, but not earlier than May 1, 2018.

**4.3 Reimbursements Limited to Reimbursable Redevelopment Project Costs; Developer’s Right to Substitute.** Nothing in this Agreement shall obligate the City to reimburse the Developer for any cost that is not incurred pursuant to the Acts or that does not qualify as reimbursable from the Pledged Revenues pursuant to the Acts. The Developer shall provide itemized invoices, receipts or other information, if any, requested by the City to confirm that any such cost is so incurred and does so qualify. Each such request shall be accompanied by a certification by the Developer that such cost is eligible for reimbursement under the Acts. The parties agree that each of the categories of costs set forth in **Exhibit F** attached hereto constitute Reimbursable Redevelopment Project Costs which are eligible for reimbursement in accordance with the Acts and this Agreement. The Developer shall not be limited in reimbursement to the amounts shown for each such category but shall be entitled to reimbursement for Redevelopment Project Costs from any of the categories set forth on **Exhibit F**, without regard to the maximum amounts set forth for each category. If the City determines that any cost identified as a Reimbursable Redevelopment Project Cost is not reimbursable under the Acts, the City shall so notify the Developer in writing within the 30-days following receipt of a Certification of Reimbursable Redevelopment Project Costs, identifying the ineligible cost and the basis for determining the cost to be ineligible, whereupon the Developer shall have the right to identify

and substitute other Redevelopment Project Costs as Reimbursable Redevelopment Project Costs with a supplemental application for payment.

## ARTICLE V.

### GENERAL PROVISIONS

**5.1. Developer's Right of Termination.** At any time prior to any distribution of moneys from the City to the Developer, the Developer may, by giving written notice to the City, terminate this Agreement and the Developer's obligations hereunder if the Developer determines, in its sole discretion, that the Redevelopment Project is no longer economically feasible.

**5.2. City's Right of Termination.** The City may terminate this Agreement, at any time prior to the delivery of the Certificate of Substantial Completion, if:

**5.2.1.** the Developer materially defaults in or breaches any substantial provision of this Agreement and fails to cure such default or breach pursuant to the provisions hereof; or

**5.2.2.** the Developer fails to complete the activities listed in **Section 3.2.** in strict accordance with the schedule set forth in said section, subject to extension as provided for in **Section 7.5.**

**5.3. Successors and Assigns.**

**5.3.1.** This Agreement shall be binding on and shall inure to the benefit of the parties named herein and their respective heirs, administrators, executors, personal representatives, successors and assigns.

**5.3.2.** Without limiting the generality of the foregoing, all or any part of the Property or any interest therein may be sold, transferred, encumbered, leased, or otherwise disposed of at any time, and the rights of the Developer named herein or any successors in interest under this Agreement or any part hereof may be assigned at any time before, during or after redevelopment of the Redevelopment Project, whereupon the party disposing of its interest in the Property or assigning its interest under this Agreement shall be thereafter released from further obligation under this Agreement (although any such Property so disposed of or to which such interest pertains shall remain subject to the terms and conditions of this Agreement), provided that until the City has accepted the Certificate of Substantial Completion with respect to the Redevelopment Project, the fee title to the Property may not be sold, transferred or otherwise disposed of and the rights, duties and obligations of the Developer under this Agreement may not be assigned in whole or in part without the prior written approval of the City. Notwithstanding anything herein to the contrary, the City hereby approves, and no prior consent shall be required in connection with, (1) the right of the Developer to encumber or collaterally assign its interest in the Property or any portion thereof to secure loans, advances or extensions of credit to finance or from time to time refinance all or any part of the Redevelopment Project Costs, or the right of the holder of any such encumbrance or transferee of any such collateral assignment (or trustee or agent on its behalf) to transfer such interest by foreclosure or transfer in lieu of foreclosure under such encumbrance or collateral assignment; (2) the right of the Developer to assign or transfer all

or any part of the Developer's rights, duties and obligations under this Agreement or with respect to the Redevelopment Project to a Related Party; or (3) the right of the Developer to lease of the Property in the ordinary course of the development of the Redevelopment Project; provided that in each such event (i) the Developer named herein or one of the entities described in clause (2) above shall remain liable hereunder for the Substantial Completion of the Redevelopment Project, and shall be released from such liability hereunder only upon Substantial Completion of the Redevelopment Project and (ii) the Developer provides to the City not less than 15 days' advance written notice of any proposed assignment or transfer pursuant to clause (2) above.

#### **5.4. Remedies.**

**5.4.1.** In the event of any default in or breach of any term or conditions of this Agreement by either party, or any successor, the defaulting or breaching party (or successor) shall, upon written notice from the other party specifying such default or breach, proceed immediately to cure or remedy such default or breach, and, shall, in any event, within 30 days after receipt of notice, commence to cure or remedy such default. If such cure or remedy is not taken or not diligently pursued, or the default or breach is not cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to proceedings to compel specific performance by the defaulting or breaching party.

**5.4.2.** Notwithstanding any provision herein to the contrary, the City's sole remedy for the Developer's failure to construct the Work within the times set forth in **Section 3.2.** shall be the termination of this Agreement without further recourse against the Developer.

#### **5.5. Extensions of Time for Performance.**

**5.5.1.** Neither the City nor the Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended in the event of any delay caused by force majeure, including, without limitation, damage or destruction by fire or casualty; strike; lockout; civil disorder; acts of terrorism; war; restrictive government regulations; lack of issuance of any permits and/or legal authorization by the governmental entity necessary for the Developer to proceed with construction of the Work or any portion thereof, and including rezoning and approval of the Concept Site Plan (but only if the Developer files all necessary documentation relating thereto no later than seven business days following execution of the Redevelopment Agreement); shortage or delay in shipment of material or fuel; acts of God; unusually adverse weather or wet soil conditions; or other causes beyond the parties' reasonable control, including but not limited to, any litigation, court order or judgment resulting from any litigation affecting the validity of the Redevelopment Project, or this Agreement.

**5.5.2.** No event under **Section 5.5.1** above shall be deemed to exist as to any matter initiated or unreasonably sustained by the Developer, unless (i) the Developer notifies the City in writing within 30 days of the date the Developer becomes aware of the delay that will be caused by the delay causing event, or (ii) the Developer demonstrates to the City's reasonable satisfaction that the Developer has diligently pursued its obligations under this Agreement but, for reasons beyond the control of the Developer, has been unable to complete such obligations within the time specified in this Agreement.

**5.6. Notices.** Any notice, demand or other communication required by this Agreement to be given by either party hereto to the other shall be in writing and shall be sufficiently given or delivered if dispatched by certified United States first class mail, postage prepaid, or delivered personally,

(i) In the case of the Developer, to:

SonomaCap RE Fund III, LLC  
7519 Claymont Court, Apt. 1  
Belleville, IL 62223  
Attention: R. Adam Hill

With a copy to:

Westminster Legal Group  
4240 Duncan Ave., Suite 200  
St. Louis, MO 63110  
Attention: John M. Hongs

(ii) In the case of the City, to:

City of Belleville  
101 South Illinois St.  
Belleville, Illinois 62220  
Attention: Mayor Mark Eckert

With a copy to:

Becker, Hoerner, Thompson & Yursa, P.C.  
5111 West Main Street  
Belleville, IL 62226  
Attn: Garret Hoerner

or to such other address with respect to either party as that party may, from time to time, designate in writing and forward to the other, as provided in this paragraph.

**5.7. Conflict of Interest.** (a) No member of the Corporate Authorities, the joint review board, or any branch of the City's government who has any power of review or approval of any of the Developer's undertakings, or of the City's contracting for goods or services for the Redevelopment Project, shall participate in any decisions relating thereto which affect that member's personal interests or the interests of any corporation or partnership in which that member is directly or indirectly interested. Any person having such interest shall immediately, upon knowledge of such possible conflict, disclose, in writing, to the Corporate Authorities the nature of such interest and seek a determination by the Corporate Authorities with respect to such interest and, in the meantime, shall not participate in any actions or discussions relating to the activities herein proscribed.

(b) If any member of the Corporate Authority or an employee or consultant of the City involved in the planning and preparation of the Redevelopment Project Area owns or controls an interest, direct or indirect, in any property included in the Redevelopment Project Area, he or she shall disclose the same in writing to the City Clerk, and shall also disclose the dates and terms and conditions of any disposition of any such interest, which disclosures shall be acknowledged by the Corporate Authorities and entered upon the minute books of the Corporate Authorities. If an individual holds such an interest, then that individual shall refrain from any further official involvement in regard to such Redevelopment Project, from voting on any matter pertaining to the Redevelopment Project or communicating with other members of the Corporate Authorities, commissions or employees concerning any matter pertaining to said Redevelopment Project. Furthermore, no such member of the Corporate Authorities or employee shall acquire any interest direct, or indirect, in any property in the Redevelopment Project Area. For the purposes of this section, a month-to-month, leasehold interest in a single parcel of property by a member of the Corporate Authority shall not be deemed to constitute an interest in any property included in the Redevelopment Project Area, but such member must disclose the interest to the City Clerk.

**5.8. Insurance; Damage or Destruction of Redevelopment Project.**

**5.8.1.** The Developer will cause there to be insurance as hereinafter set forth at all times during the process of constructing the Work and, from time to time at the request of the City, furnish the City with proof of payment of premiums on:

(i) Builder's risk insurance, written on the so called "Builder's Risk - Completed Value Basis," in an amount equal to one hundred percent (100%) of the insurable value of the Work at the date of completion, and with coverage available in non-reporting form on the so called "all risk" form of policy. The interest of the City shall be protected in accordance with a clause in form and content satisfactory to the City;

(ii) Comprehensive general liability insurance (including operations, operations of subcontractors, completed operations and contractual liability insurance) together with an owner's contractor's policy, with limits against bodily injury and property damage of not less than \$2,000,000.00 for each occurrence (to accomplish the above required limits, an umbrella excess liability policy may be used); and

(iii) Workers' Compensation insurance, with statutorily required coverage.

**5.8.2.** The policies of insurance required pursuant to clauses (i) and (ii) above shall be in form and content satisfactory to the City and shall be placed with financially sound and reputable insurers licensed to transact business in the State of Illinois with a general policy holder's rating of not less than A- and a financial rating of A- as rated in the most current available "Best's" insurance reports. The policy of insurance delivered pursuant to clause (i) above shall contain an agreement of the insurer to give not less than thirty (30) days advance written notice to the City in the event of cancellation of such policy or change affecting the coverage thereunder. The policies of insurance described in clauses (i) and (ii) above shall name the City as an additional insured. The Developer shall deliver to the City evidence of all insurance to be maintained hereunder.

**5.9. Inspection.** The City may conduct such periodic inspections of the Work as may be generally provided in the building code of the City. In addition, the Developer shall allow other authorized representatives of the City access to the Work site from time to time upon reasonable advance notice prior to the completion of the Work for reasonable inspection thereof. The Developer shall also allow the City and its employees, agents and representatives to inspect, upon request, all architectural, engineering, demolition, construction and other contracts and documents pertaining to the construction of the Work as the City determines is reasonable and necessary to verify the Developer's compliance with the terms of this Agreement.

**5.10. Choice of Law.** This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by the laws of State of Illinois for all purposes and intents.

**5.11. Entire Agreement; Amendment.** The parties agree that this Agreement constitutes the entire agreement between the parties and that no other agreements or representations other than those contained in this Agreement have been made by the parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the parties.

**5.12. Counterparts.** This Agreement is executed in multiple counterparts, each of which shall constitute one and the same instrument.

**5.13. Severability.** In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

**5.14. Representatives Not Personally Liable.** No elected or appointed official, agent, employee or representative of the City shall be personally liable to the Developer in the event of any default or breach by any party under this Agreement, or for any amount which may become due to any party or on any obligations under the terms of this Agreement.

**5.15. Actions Contesting the Validity and Enforceability of the Redevelopment Plan.** During such time as the City is obligated to reimburse the Developer for Reimbursable Redevelopment Project Costs, in the event a third party brings an action against the City or the City's officials, agents, employees or representatives contesting the validity or legality of the TIF

Redevelopment Project Area, the Redevelopment Plan, or the ordinance approving this Agreement, the Developer may, at its option, assume the defense of such claim or action with counsel of the Developer's choosing, but the Developer may not settle or compromise any claim or action for which the Developer has assumed the defense without the prior written approval of the City. If the City does not approve a settlement or compromise which the Developer would agree to, the Developer shall not be responsible for any costs or expenses incurred thereafter in the defense of such claim or action. The parties expressly agree that so long as no conflicts of interest exist between them with regard to the handling of such litigation, the same attorney or attorneys may simultaneously represent the City and the Developer in any such proceeding; provided, the Developer and its counsel shall consult with the City throughout the course of any such action and the Developer shall pay all reasonable and necessary costs incurred by the City in connection with such action. All cost of any such defense, whether incurred by the City or the Developer, shall be deemed to be Reimbursable Redevelopment Project Costs.

**5.16. Release and Indemnification.** The indemnifications and covenants contained in this **Section 5.16** shall survive termination or expiration of this Agreement.

**5.16.1.** Notwithstanding any other provision of this Agreement to the contrary, the City and its governing body members, officers, agents, servants, employees and independent contractors shall not (except to the extent set forth in the last sentence of this subsection) be liable to the Developer for damages or otherwise in the event that all or any part of the Tax Increment Financing Act, or any ordinance adopted in connection with either the Tax Increment Financing Act, this Agreement or the Redevelopment Plan, is declared invalid or unconstitutional in whole or in part by the final (as to which all rights of appeal have expired or have been exhausted) judgment of any court of competent jurisdiction, and by reason thereof either the City is prevented from performing any of the covenants and agreements herein or the Developer is prevented from enjoying the rights and privileges hereof. The foregoing provision shall not preclude any action for professional negligence that the Developer may otherwise have the right to maintain against any independent contractor of the City.

**5.16.2.** The Developer releases from and covenants and agrees that the City and its governing body members, officers, agents, servants, employees and independent contractors shall not be liable for, and agrees to indemnify and hold harmless the City, its governing body members, officers, agents, servants, employees and independent contractors against any loss or damage to property or any injury to or death of any person occurring at or about or resulting from any defect in the construction of the Work including any and all claims arising from the acquisition of the Property, including, but not limited to, location of hazardous wastes, hazardous materials or other environmental contaminants on the Property, including all costs of defense, including attorney's fees, except for those matters arising out of the gross negligence or willful misconduct of the City and its governing body members, officers, agents, servants, employees and independent contractors.

**5.16.3.** The City and its governing body members, officers, agents, servants, employees and independent contractors shall not be liable for any damage or injury to the persons or property of the Developer or its officers, agents, servants or employees or any other person who may be about the Property or the Work except for matters arising out of the gross negligence or willful misconduct of the City and its governing body members, officers, agents, servants, employees and independent contractors.

**5.16.4.** All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its governing body members, officers, agents, servants or employees in their individual capacities.

**5.16.5.** No official, employee or representative of the City shall be personally liable to the Developer (1) in the event of a default or breach by any party under this Agreement or (2) for any amount which may become due to any party under the terms of this Agreement.

**5.16.6.** The Developer releases from and covenants and agrees that the City, its governing body members, officers, employees, agents and independent contractors shall not be liable for, and agrees to indemnify and hold the City, its governing body members, officers, employees, agents and independent contractors, harmless from and against any and all suits, interest, claims and cost of attorney's fees incurred by any of them, resulting from, arising out of, or in any way connected with: (1) any condemnation proceeding initiated by the City at the Developer's request pursuant to this Agreement; (2) the construction of the Work, (3) the negligence or willful misconduct of the Developer, its employees, agents or independent contractors in connection with the design management, development, redevelopment and construction of the Work, (4) the compliance by the Developer with all applicable state, federal and local environmental laws, regulations and ordinances as applicable to the Property, excluding the City property, to the extent such condition existed prior to the acquisition thereof by the Developer; except that the foregoing release and indemnification shall not apply in the case of such liability arising directly out of the gross negligence or willful misconduct of the City or its authorized governing body members, officers, employees, agents and independent contractors or which arises out of matters undertaken by the City following termination of this Agreement as to any particular Redevelopment Project or portion thereof.

**5.17. Survival.** Notwithstanding the expiration or termination or breach of this Agreement by either party, the agreements contained in **Sections 5.16**, of this Agreement shall, except as otherwise expressly set forth herein, survive such expiration, termination or breach of this Agreement by either party.

**5.18 Term of Agreement.** This Agreement, and all of the rights and obligations of the parties hereunder, shall terminate and shall become null and void upon the earlier of (a) the completion of the Redevelopment Project and the payment of all Reimbursable Redevelopment Project Costs contemplated in this Agreement, or (b) the delivery of a written notice by the Developer or the City (and recordation of a copy of such notice with the St. Clair County Recorder) that this Agreement has been terminated pursuant to **Section 5.1** or **5.2** hereof.

**ARTICLE VI.**

**REPRESENTATIONS OF THE PARTIES**

**6.1. Representations of the City.** The City hereby represents and warrants that it has full constitutional and lawful right, power and authority, under current applicable law, to execute and deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be, upon adoption of ordinances, duly and validly authorized and approved by all necessary City proceedings, findings and actions. Accordingly, this Agreement

constitutes the legal, valid and binding obligation of the City, enforceable in accordance with its terms.

**6.2. Representations of the Developer.** The Developer hereby represents and warrants that:

**6.2.1.** It has full power to execute and deliver and perform the terms and obligations of this Agreement and all of the foregoing has been duly and validly authorized by all necessary corporate proceedings.

**6.2.2.** This Agreement constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms.

[Remainder of Page Intentionally Left Blank]

**IN WITNESS WHEREOF**, the City and the Developer have caused this Agreement to be executed in their respective names and the City has caused its seal to be affixed thereto, and attested as to the date first above written.

**CITY OF BELLEVILLE, ILLINOIS**

(SEAL)

Attest:

By: Mark W. Eckert  
Mayor

By: [Signature]  
City Clerk

**SONOMACAP RE FUND III, LLC**  
By: [Signature]  
Printed Name: R. Adam Hill  
Title: Manager

STATE OF ILLINOIS        )  
  )SS  
COUNTY OF ST. CLAIR    )

On this 28 day of SEPT, 2017, before me appeared MARK ECKERT, to me personally known, who, being by me duly sworn, did say that he/she is the Mayor of the City of Belleville, Illinois, an incorporated municipality of the State of Illinois, and that the seal affixed to the foregoing instrument is the seal of said City, and said instrument was signed and sealed in behalf of said City by authority of its Corporate Authorities, and ~~Dallas Cook~~, the City Clerk acknowledged said instrument to be the free act and deed of said City. JENNIFER MEYER

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.



Notary Public

*Nancy A. Schulte*

My Commission Expires: 9/1/2019

STATE OF ILLINOIS        )  
  )SS  
COUNTY OF ST. CLAIR    )

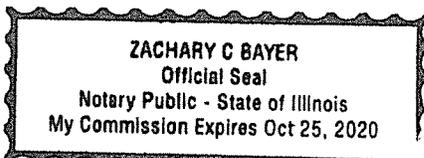
On this 21<sup>st</sup> day of September, 2017, before me appeared R. Adam Hill, to me personally known, who, being by me duly sworn, did say that he is the Manager of SonomaCap RE Fund III, LLC, an Illinois limited liability company, and that he is authorized to sign the instrument on behalf of said company, and acknowledged to me that he executed the within instrument as said company’s free act and deed.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal in the County and State aforesaid, the day and year first above written.

Notary Public

(SEAL)

My Commission Expires: Oct 25, 2020



*Zachary C Bayer*

## **EXHIBIT A**

### **LEGAL DESCRIPTION OF THE REDEVELOPMENT PROJECT AREA**

**Parcel 1: Lots 30 and 31 of "Woodside, being a subdivision of part of Lot 5, Section 1, T1N, R9W, part of Lot 5, Section 2, T1N, R9W, part of Lot 2, Section 35, T2N, R9W, part of Lot 6, Section 36, T2N, R9W of the 3rd P.M., St. Clair County, Illinois"; reference being had to the plat thereof recorded in the Recorder's Office of St. Clair County, Illinois, in Book of Plats "U" on page 9.**

**PPN: 07-01.0-102-025 and 07-01.0-102-026  
c/k/a: 8512 W. Main St., Belleville, IL 62223**

**Parcel 3: Lots No. 1, 2, 3, 4, 5, 6, 7, 8, 9 and 10 in Block 2 of "Ogledale, being a Resubdivision of Lots 1 to 18 of First Addition to Ogle Heights and a Subdivision of part of Lot 12A Section 1 and part of Lot 1, Section 12, T1N, R9W 3rd P.M."; reference being had to the plat thereof recorded in the Recorder's Office of St. Clair County, Illinois, in Book of Plats "W" on page 10.**

**Except any interest in the coal, oil, gas, and other minerals underlying the land which have been heretofore conveyed or reserved in prior conveyances, and all rights and easements in favor of the estate of said coal, oil, gas, and other minerals, if any.**

**PPN: 07-01.0-417-005 c/k/a: 7009 W. Main St., Belleville, IL 62223**

**Prior Deed Reference: Parcel 1: Book 4162, page 402; and Parcel 3: Book 4218, page 1666**

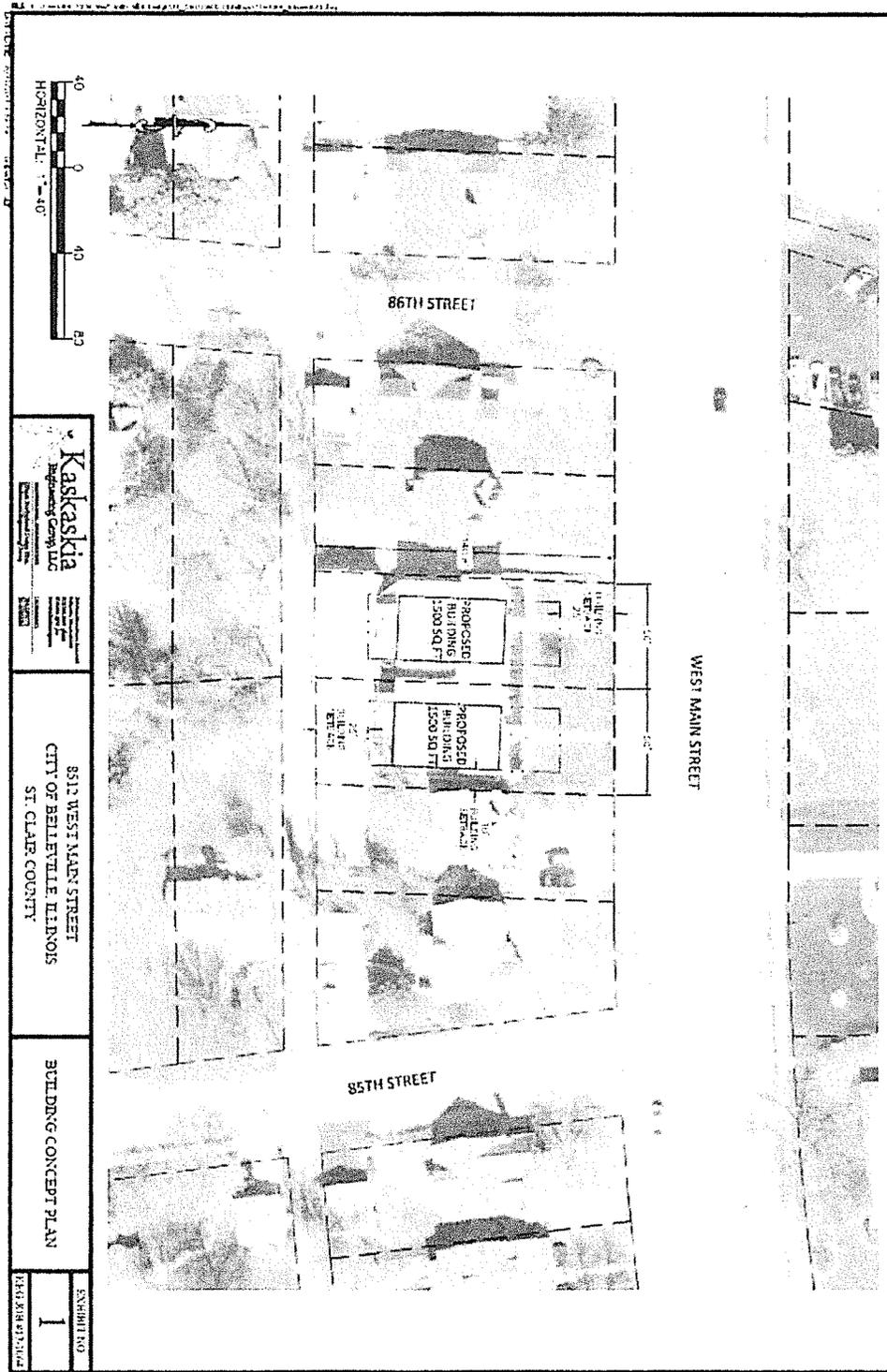
**EXHIBIT B**

**Project Budget**  
***8512 & 7009 West Main Street***

	<b><u>TIF III</u></b>	<b><u>Global</u></b>
Land Assembly/Site Preparation	\$ 75,000	\$ 132,500
Public Works/Infrastructure (i.e. surface parking, internal roadways, parking lighting)	\$ 5,000	\$ 74,500
Demolition	\$150,000	\$ 200,000
New Construction	\$330,000	\$2,165,000
Planning, Legal & Professional Services	\$ 5,000	\$ 55,000
Administration	\$ 0	\$ 0
Contingency	\$ 0	\$ 0
<b>Totals</b>	<b>\$565,000</b>	<b>\$2,627,000</b>

# EXHIBIT C

## CONCEPT SITE PLAN



**EXHIBIT D**

**[FORM OF]  
CERTIFICATE OF SUBSTANTIAL COMPLETION  
OF**

\_\_\_\_\_

The undersigned, \_\_\_\_\_ (the "Developer"), pursuant to that certain Redevelopment Agreement dated as of \_\_\_\_\_, between the City of Belleville, Illinois (the "City") and the Developer (the "Agreement"), hereby certifies to the City as follows:

1. That as of \_\_\_\_\_, \_\_\_\_\_, the Developer has achieved Substantial Completion of the Redevelopment Project in accordance with the Agreement.

2. The Work has been performed in a workmanlike manner and in accordance with the Construction Plans (as those terms are defined in the Agreement).

3. This Certificate of Substantial Completion is being issued by the Developer to the City in accordance with the Agreement to evidence the Developer's satisfaction of all obligations and covenants with respect to the applicable portions of the Work.

4. The City's acceptance (below) or the City's failure to object in writing to this Certificate within 30 days of the date of delivery of this Certificate to the City (which written objection, if any, must be delivered to the Developer prior to the end of such 30-day period), and the recordation of this Certificate with the St. Clair County Recorder, shall evidence the satisfaction of the Developer's agreements and covenants to perform the applicable portions of the Work.

This Certificate shall be recorded in the office of the St. Clair County Recorder. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being.

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this \_\_\_\_\_ day of \_\_\_\_\_, \_\_\_\_\_.

\_\_\_\_\_

By: \_\_\_\_\_  
Its managing member

**ACCEPTED:  
CITY OF BELLEVILLE, ILLINOIS**

By:

(Insert Notary Form(s) and Legal Description)

**EXHIBIT E**  
**FORM OF**  
**CERTIFICATION OF REIMBURSABLE REDEVELOPMENT PROJECT COSTS**

Certification of Reimbursable Redevelopment Project Costs

TO: City of Belleville, Illinois

Attention:

Re: Redevelopment Agreement dated as of [DOCUMENT DATE] (the "Agreement"), between the City of Belleville, Illinois (the "City") and SonomaCap RE Fund II, LLC (the "Developer"),

Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement. In connection with said Agreement, the undersigned hereby states and certifies that:

1. Each item listed on **Schedule 1** hereto is (a) eligible for reimbursement under the Business District Act, and (b) a Reimbursable Redevelopment Project Cost under the Agreement.

2. Each item listed on **Schedule 1** was incurred in connection with the construction of the Redevelopment Project and has been paid by the Developer.

3. Each item listed on **Schedule 1** has not previously been paid or reimbursed from money derived from the Special Allocation Fund or any money derived from any project fund established pursuant to the Approving Ordinance, and no part thereof has been included in any other certificate previously filed with the City.

4. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

5. All necessary permits and approvals required for the portion of the Work for which this certificate relates have been issued and are in full force and effect.

6. All Work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with the Concept Site Plan and the Agreement.

7. If any cost item to be reimbursed under this Certificate is deemed not to constitute a "Redevelopment Project cost" within the meaning of the Business District Act and the Agreement, the Developer shall have the right to substitute other eligible Reimbursable Redevelopment Project Costs for payment hereunder.

8. The Developer is not in default or breach of any term or condition of the Agreement.

Dated this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_.

\_\_\_\_\_

By: \_\_\_\_\_,  
Its managing member

Approved for Payment this \_\_\_\_ day of \_\_\_\_\_, \_\_\_\_:

**CITY OF BELLEVILLE, ILLINOIS**

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

## EXHIBIT F

### REIMBURSEABLE REDEVELOPMENT PROJECT COSTS

Property assembly costs, including but not limited to demolition of buildings, site preparation, site improvements and clearing and grading	\$100,000
Demolition, Rehabilitation and New Construction	\$120,000
Administration	\$5,000
<u>Planning, Legal &amp; Professional Services</u>	<u>\$10,000</u>
Total	\$235,000

**DEVELOPMENT AGREEMENT  
(AS AMENDED)**

This amended agreement made this 16<sup>th</sup> day of October, 2017 by and between the City of Belleville, Illinois (the "City") and **Marco Investment Group, LLC** ("**Marco Investment Group, LLC**");

**WITNESSETH:**

**WHEREAS, Marco Investment Group, LLC** intends on investing a minimum of \$1,180,000.00 to complete the development of a four-lot retail complex located at 2391 West State Route 161 in Belleville (the "Project"), and;

**WHEREAS,** the parties have reached an agreement in order to set forth the terms upon which the City would provide certain economic incentives for the Project and the terms upon which **Marco Investment Group, LLC** would provide jobs via tenants at said location, and;

**Responsibilities of the City of Belleville**

1. Rebate 75% of incremental property taxes directly related to improvements generated in the TIF #3 fund (estimated at \$19,406.00 annually for the first proposed building) for four (4) years, or the end of the life of TIF #3, whichever occurs first.

**Responsibilities of Marco Investment Group, LLC**

- A. Invest no less than \$1,180,000.00 at 2391 W. State Route 161 including but not limited to the development of a four-lot retail complex no later than March 31, 2018, and;
- B. Create three (3) to five (5) FTE jobs within the first year of operation, and;
- C. Create one (1) additional FTE jobs within the second year of operation, and;
- D. Commit to annual sales subject to sales tax of no less than \$1,000,000.00, and;
- E. Marco Investment Group, LLC and any heirs and/or successors shall remain and operate at the site for no less than ten (10) years, and;
- F. Compliance with all existing and applicable Federal, State, County and Local laws and ordinances.

**Penalties**

In the event that **Marco Investment Group, LLC** fails to meet its obligations under Sections (A), (B), (C), (D), (E) or (F) of the section entitled "Responsibilities of **Marco Investment Group, LLC** " of the Development Agreement, all public funds provided under (1) of the section entitled "Responsibilities of the City of Belleville" received to date as per the Development Agreement from the City of Belleville shall be repaid to the City of Belleville and all remaining amounts to be provided if any, shall be terminated.

**Miscellaneous**

1. **Entire Agreement.** This Agreement and any written amendments hereto shall constitute the entire agreement between the parties. Neither party shall be bound by any terms, conditions, statements or representations, not herein contained. Each party hereby acknowledges that in executing this Agreement it has not been induced, persuaded or motivated by any promise or representation made by the other party, unless expressly set forth herein. All previous negotiations, statements and preliminary agreements by the parties or their representatives are merged in this Agreement.
2. **Validity.** It is understood and agreed by the parties hereto that if any part, term, or provision of this Agreement is held by a court of law to be illegal or in conflict with any law of the State of Illinois, the validity of the remaining portions or provisions shall not

- be affected, and the rights and obligations of the parties shall be construed and enforced as if the Agreement did not contain the particular part, term or provision held to be invalid.
3. Notices. Notices, or other communications required or which may be given under this Agreement shall be in writing, and delivered either personally, or by certified or registered mail, to the addresses indicated for each party below after their respective signatures, or to such other address as designated by a party similar notice to the other party. Date of notice shall be the date of delivery in the case of delivered notice or the date of posting in the mail in the case of mail notice.
  4. Signage. Agree to allow City to place on the premises a sign indicating financial assistance has been provided by the City of Belleville for a minimum of fifteen (15) days each before and after opening of the facility.
  5. Current with Payments. Agree to pay in full the City of Belleville on any outstanding invoices containing the name or names of the individual, company and/or corporation receiving the said inducements.
  6. Execution of Agreement. If this agreement is not fully executed within sixty (60) days of City Council approval, it shall be considered null and void.
  7. Prevailing Wage. Projects receiving incentives/inducements from the City of Belleville will be required to comply with the President's executive order no. 11246, as amended (prevailing wage).
  8. Superseder. This Agreement supersedes and replaces any and all prior agreements and understandings between the City and Marco Investment Group, LLC with respect to the subject matter hereof.
  9. Request of Payment. The party receiving inducements must officially request payment from the City. This must be done via letter to include documentation of costs incurred as outlined in the section titled "Responsibilities of Marco Investment Group, LLC".
  10. Compliance Reporting. Agree to submit Annual Certification of Compliance With Development Agreement form to document compliance with items as outlined in the section titled "Responsibilities of Marco Investment Group, LLC". Such reporting is required for the life of the agreement, which is defined as the timeframe of the commitment to remain and operate at the project location as identified in the section titled "Responsibilities of Marco Investment Group, LLC".

CITY OF BELLEVILLE, ILLINOIS  
City Hall  
101 South Illinois Street  
Belleville, Illinois 62220

By: Mark W. Eckert  
MAYOR

ATTEST: AMS  
CITY CLERK

Marco Investment Group, LLC  
1101 Centreville Ave.  
Belleville, IL 62220

By: Doug Martin  
Doug Martin, Member

ATTACHMENT H

**TIF 3 Joint Review Board Minutes**  
**12/14/17 9:40 a.m.-9:45 a.m.**

**MEMBERS/TAXING BODIES:**

Adam Hoerner, SWIC  
Leander Spearman, Belleville Public Library  
Ryan Boike, School District 118  
Brian Mentzer, School District 201  
Ken Kinsella, Public Member  
Mayor Mark Eckert

**STAFF:**

Annissa McCaskill, Economic Development, Planning, & Zoning Director  
Eric Schauster, Economic Development Assistant Director  
Kari Tutza, Economic Development, Planning & Zoning  
Jamie Maitret, Finance Director

**GUESTS:**

Michael Hagberg  
Gene Norber, Economic Development Resources

**GUESTS:**

Michael Hagberg  
Alderman Randle, Ward 3  
Gene Norber, Economic Development Resources

The TIF Joint Review Board was held at 9:40 a.m. at 101 South Illinois Street, City Council Chambers.

The annual TIF Joint Review Board meetings are to review the effectiveness and status of each TIF.

**TIF 3**

Mayor Eckert asked the Board to elect a member from the public. Ryan Boike made a motion to elect Ken Kinsella, seconded by Brian Mentzer, with all present members voting aye. Motion carried.

Mayor Eckert asked the Board to elect a Chairperson. Leander Spearman made a motion to elect Ken Kinsella and seconded by Adam Hoerner with all present members voting aye. Motion carried.

Ken Kinsella explained the adoption of rules for public participation (2-3 minutes per person) and asked for a motion to adopt the rules. Mayor Eckert made a motion to adopt the rules of public participation and seconded by Brian Mentzer with all present members voting aye. Ken Kinsella opened public participation. Michael Hagberg stated his suggestion for the use of TIF 3. With no further discussion, Ken Kinsella closed public participation.

Eric Schauster gave a description of TIF 3 stating that the inception of the TIF was in 1986 and will expire in 2021. With a beginning value of \$99,000,000 and a current value of \$217,000,000. Property values increased 120%. Mayor Eckert stated that TIF 3 is unique with covering at least a third of the City. With no further comments or questions from the Board, Ken Kinsella closed the meeting.

Respectfully Submitted,  
Amy M. Toenjes  
Transcribing Secretary

ATTACHMENT K



C. J. SCHLOSSER  
& COMPANY, L.L.C.  
CERTIFIED PUBLIC ACCOUNTANTS

**CITY OF BELLEVILLE, ILLINOIS**

TAX INCREMENT FINANCING DISTRICTS  
ANNUAL REPORT

FINANCIAL STATEMENTS

FOR THE YEAR ENDED  
APRIL 30, 2018

233 East Center Drive, P.O. Box 416  
Alton, Illinois 62002  
(618) 465-7717 Fax (618) 465-7710

80 Edwardsville Professional Park  
Edwardsville, Illinois 62025  
(618) 656-2146 Fax (618) 656-2147

One Westbury Drive, Suite 420  
St. Charles, Missouri 63301  
(636) 723-7611 Fax (636) 947-4558



www.cjsco.com

**CITY OF BELLEVILLE, ILLINOIS**

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**PART I – FINANCIAL INFORMATION**

**INDEPENDENT AUDITOR'S REPORT ON  
COMPLIANCE WITH TAX INCREMENT FINANCING ACT**

To the Honorable Mayor and  
City Council of  
City of Belleville, Illinois

We have audited the financial statements of the City of Belleville, Illinois' Tax Increment Financing District #3, Tax Increment Financing District #8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 Corridor, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Route 15/South Green Mount Road, Tax Increment Financing District #21 Belle Valley III, and Tax Increment Financing District #22 Route 15 North as of and for the year ended April 30, 2018, as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to error or fraud.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the City of Belleville, Illinois' Tax Increment Financing Districts, as referred to in the first paragraph, as of April 30, 2018 and the respective changes in financial position, and where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

### **Prior Basis of Accounting**

The City of Belleville has kept its records and has prepared its financial statements for previous years on the modified cash basis of accounting. As described in Note 5 to the financial statements, The City has adopted accounting principles generally accepted in the United States of America as of the beginning of the current year. Although appropriate adjustments have been made to fund balances as of that date, it was not practicable to determine what adjustments would be necessary in the financial statements of the preceding year to retrospectively adjust the results of operations to conform with the accounting principles used in the current year.

### **Other Matters**

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements of the City of Belleville, Illinois' Tax Increment Financing Districts taken as a whole. The other supplementary data on pages 14 and 15 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. This other supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such

information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The supplementary information on Pages 16 through 25 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

*Compliance with Laws and Regulations*

The management of the City of Belleville, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with 65 ILCS 5/11-74.1-3, "Tax Increment Allocation Redevelopment Act".

The results of our tests indicate that for the items tested, the City of Belleville, Illinois, complied with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". Nothing came to our attention that caused us to believe that, for the items not tested, the City of Belleville, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

*C. J. Schlosser & Company LLC*  
Certified Public Accountants  
Alton, Illinois

October 5, 2018

**CITY OF BELLEVILLE, ILLINOIS**  
**TAX INCREMENT FINANCING DISTRICTS**

COMBINING BALANCE SHEET  
ALL TAX INCREMENT FINANCING DISTRICTS  
APRIL 30, 2018

	Tax Increment Financing										Carlyle/ Greenmont
	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14			
<b>Assets</b>											
Cash and Investments	\$ 1,620,690	\$ 163,527	\$ 118,500	\$ 901,916	\$ 78,832	\$ 77,492	\$ 192,700	\$ 206,436	\$ 3,548,801		
Receivables (Net of allowance for uncollectible):											
Property Tax	12,630,200	199,100	92,900	1,237,400	38,600	183,400	30,000	171,100	1,766,300		
Intergovernmental	-	-	-	-	-	-	-	-	374,562		
Other	40,749	-	-	-	-	-	-	-	-		
Due Between TIF Funds	302,000	-	-	-	-	-	-	-	-		
Total Assets	<u>\$ 14,593,639</u>	<u>\$ 362,627</u>	<u>\$ 211,400</u>	<u>\$ 2,139,316</u>	<u>\$ 117,432</u>	<u>\$ 260,892</u>	<u>\$ 222,700</u>	<u>\$ 377,536</u>	<u>\$ 5,689,663</u>		
<b>Liabilities, Deferred Inflows of Resources, and Fund Balance</b>											
Liabilities:											
Accounts Payable	\$ 899,490	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -		
Deferred Inflows of Resources:											
Unearned Revenue	12,630,200	199,100	92,900	1,237,400	38,600	183,400	30,000	171,100	1,892,694		
Fund Balance:											
Nonspendable	40,749	-	-	-	-	-	-	-	3,796,969		
Restricted for Debt Service	-	-	-	-	-	-	-	-	-		
Restricted	1,023,200	163,527	118,500	901,916	78,832	77,492	192,700	206,436	-		
Total Fund Balance	<u>1,063,949</u>	<u>163,527</u>	<u>118,500</u>	<u>901,916</u>	<u>78,832</u>	<u>77,492</u>	<u>192,700</u>	<u>206,436</u>	<u>3,796,969</u>		
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 14,593,639</u>	<u>\$ 362,627</u>	<u>\$ 211,400</u>	<u>\$ 2,139,316</u>	<u>\$ 117,432</u>	<u>\$ 260,892</u>	<u>\$ 222,700</u>	<u>\$ 377,536</u>	<u>\$ 5,689,663</u>		

See the accompanying independent auditor's report and notes to combining financial statements

**CITY OF BELLEVILLE, ILLINOIS**  
**TAX INCREMENT FINANCING DISTRICTS**

COMBINING BALANCE SHEET  
ALL TAX INCREMENT FINANCING DISTRICTS  
APRIL 30, 2018

	Tax Increment Financing							Debt Service Fund	Total
	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22		
<u>Assets</u>									
Cash and Investments	\$ 163,818	\$ 21,488	\$ 172,085	\$ 2,335,358	\$ 103,954	\$ 50,797	\$ 16,326	\$ 260,227	\$ 10,032,947
Receivables (Net of allowance for uncollectible):									
Property Tax	285,100	64,900	61,900	1,038,500	67,900	6,900	18,100	-	17,892,300
Intergovernmental	-	-	-	332,512	6,563	-	-	-	713,637
Other	-	-	-	-	-	-	-	-	40,749
Due Between TIF Funds	2,000	(231,000)	-	(2,000)	-	(71,000)	-	-	-
Total Assets	<u>\$ 450,918</u>	<u>\$ (144,612)</u>	<u>\$ 233,985</u>	<u>\$ 3,704,370</u>	<u>\$ 178,417</u>	<u>\$ (13,303)</u>	<u>\$ 34,426</u>	<u>\$ 260,227</u>	<u>\$ 28,679,633</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>									
Liabilities:									
Accounts Payable	\$ 152,165	\$ 53,958	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 1,105,613
Deferred Inflows of Resources:									
Unearned Revenue	285,100	64,900	61,900	1,155,382	70,133	6,900	18,100	-	18,137,809
Fund Balance:									
Nonspendable	-	-	-	-	-	-	-	-	40,749
Restricted for Debt Service	-	-	-	2,548,988	-	-	-	260,227	6,606,184
Restricted	13,653	(263,470)	172,085	-	108,284	(20,203)	16,326	-	2,789,278
Total Fund Balance	<u>13,653</u>	<u>(263,470)</u>	<u>172,085</u>	<u>2,548,988</u>	<u>108,284</u>	<u>(20,203)</u>	<u>16,326</u>	<u>260,227</u>	<u>9,436,211</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 450,918</u>	<u>\$ (144,612)</u>	<u>\$ 233,985</u>	<u>\$ 3,704,370</u>	<u>\$ 178,417</u>	<u>\$ (13,303)</u>	<u>\$ 34,426</u>	<u>\$ 260,227</u>	<u>\$ 28,679,633</u>



**CITY OF BELLEVILLE, ILLINOIS**  
**TAX INCREMENT FINANCING DISTRICTS**

COMBINING STATEMENT OF REVENUES, EXPENDITURES,  
AND CHANGES IN FUND BALANCES  
ALL TAX INCREMENT FINANCING DISTRICTS  
FOR THE YEAR ENDED APRIL 30, 2018

	Tax Increment Financing							Debt Service Fund	Total
	District #16	District #17	District #18	Parkway	District #20	District #21	District #22		
<b>Revenues:</b>									
Property Taxes	\$ 283,320	\$ 60,334	\$ 64,671	\$ 980,502	\$ 64,388	\$ 6,378	\$ 16,326	\$ -	\$ 17,345,815
Intergovernmental	-	-	-	1,396,578	44,092	-	-	-	3,414,660
Interest	2,378	200	1,669	12,494	995	498	138	2,463	127,407
Reimbursements/Other	-	-	-	-	-	-	-	-	147,367
<b>Total Revenues</b>	<b>285,698</b>	<b>60,534</b>	<b>66,340</b>	<b>2,389,574</b>	<b>109,475</b>	<b>6,876</b>	<b>16,464</b>	<b>2,463</b>	<b>21,035,249</b>
<b>Expenditures:</b>									
Contractual Services	2,184	63,754	771	19,417	350	-	138	-	1,454,598
Tax Rebates	63,717	3,628	-	490,251	75,820	-	-	-	6,175,337
Capital Outlay	402,166	-	-	-	-	-	-	-	3,615,772
Debt Service:									
Principal	-	-	-	505,000	-	-	-	-	1,474,940
Interest and Fiscal Charges	-	-	-	1,291,697	-	-	-	254,012	3,837,996
<b>Total Expenditures</b>	<b>468,067</b>	<b>67,382</b>	<b>771</b>	<b>2,306,365</b>	<b>76,170</b>	<b>-</b>	<b>138</b>	<b>254,012</b>	<b>16,558,643</b>
Excess of Revenues Over (Under) Expenditures	(182,369)	(6,848)	65,569	83,209	33,305	6,876	16,326	(251,549)	4,476,606
Other Financing Sources (Uses)									
Proceeds of Debt	-	-	-	-	-	-	-	-	455,122
Operating Transfers In (Out)	-	-	-	-	-	-	-	254,300	(3,891,918)
<b>Total Other Financing Sources (Uses)</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>254,300</b>	<b>(3,436,796)</b>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Financing Uses	(182,369)	(6,848)	65,569	83,209	33,305	6,876	16,326	2,751	1,039,810
Fund Balance, Beginning of Year, As Restated	196,022	(256,622)	106,516	2,465,779	74,979	(27,079)	-	257,476	8,396,401
<b>Fund Balance, End of Year</b>	<b>\$ 13,653</b>	<b>\$ (263,470)</b>	<b>\$ 172,085</b>	<b>\$ 2,548,988</b>	<b>\$ 108,284</b>	<b>\$ (20,203)</b>	<b>\$ 16,326</b>	<b>\$ 260,227</b>	<b>\$ 9,436,211</b>

See the accompanying independent auditor's report and notes to combining financial statements

**CITY OF BELLEVILLE, ILLINOIS**  
**TAX INCREMENT FINANCING DISTRICTS**

NOTES TO FINANCIAL STATEMENTS  
APRIL 30, 2018

**NOTE 1: SUMMARY OF SIGNIFICANT ACCOUNTING POLICIES**

The accounts of the City are organized on the basis of funds, each of which is considered a separate accounting entity. The operations of each fund are accounted for with a separate set of self-balancing accounts that comprise its assets, liabilities, fund balance, revenues, and expenditures or expenses as appropriate. Government resources are allocated to and accounted for in individual funds based upon the purpose for which they are to be spent and the means by which spending activities are controlled. Special Revenue Funds are used to account for the financing of public improvements or services deemed to benefit properties within a specific area. The City established the Tax Increment Financing Districts in the fiscal years ended April 30 as follows:

District #3	1986
Districts #8, #9, #10 and #11	2000
District #12	2003
District #13	2004
District #14	2006
Districts #15, #16, #17, #18 and #19	2008
District #20	2009
District #21	2010
District #22	2018

The statements are prepared on the modified accrual basis of accounting.

The accompanying financial statements were prepared for the Tax Increment Financing Districts only, to reflect their financial position as of April 30, 2018 and revenues and expenditures for the year then ended. These statements are not intended to present the financial position and results of operations of the entire City of Belleville, Illinois as of April 30, 2018.

**NOTE 2: CASH**

The City is authorized by state statute to invest in: obligations of the United States of America; interest bearing accounts of banks; savings and loan associations or credit unions which are insured by the Federal Deposit Insurance Corporation, the Savings Association Insurance Fund or other applicable law, respectively; certain short-term obligations of corporations organized in the United States; money market mutual funds; and in a fund managed, operated and administered by a bank.

**CITY OF BELLEVILLE, ILLINOIS TAX INCREMENT FINANCING DISTRICTS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 2: CASH (continued)**

The carrying amounts and the bank balances of the Tax Increment Financing Districts' deposits were \$10,032,947, and are entirely insured or collateralized by securities held by the City's agent in the City's name.

**NOTE 3: LONG-TERM DEBT**

Outstanding bonds payable and notes payable for the Tax Increment Financing Districts are presented in the City's combined financial statements.

The following is a summary of Tax Increment Financing bonds outstanding for the year ended April 30, 2018:

Tax Increment Refunding Revenue Bonds, Series 2007A Bonds, dated September 28, 2007, interest at 5.70% payable May 1 and November 1, with principal payments of \$170,000 through \$1,955,000 due on May 1 and November 1 through 2024. The balance due on these bonds as of April 30, 2018 is \$13,905,000.

Taxable Business District Revenue Bonds, Series 2007B Bonds, dated September 28, 2007, interest at 7.875% payable May 1 and November 1, with principal payments of \$320,000 to \$790,000 due on May 1 and November 1 through 2021. The balance due on these bonds as of April 30, 2018 is \$6,275,000.

General Obligation Bonds, Series 2011, dated February 17, 2011, interest ranging from 5.00% to 5.25% payable January 1 and July 1, with principal payments of \$905,000 to \$1,100,000 beginning in January 2027 through 2031. The balance due on these bonds as of April 30, 2018 is \$5,000,000.

Local Government Program Revenue Bonds, Series 2011A, dated October 27, 2011, interest ranging from 6.00% to 7.00% payable January 1 and July 1, with principal payments of \$865,000 to \$2,025,000 due on January 1 and July 1 through 2027. The balance due on these bonds as of April 30, 2018 is \$14,695,000.

Local Government Program Revenue Bonds, Series 2011B, dated October 27, 2011, interest at 8.75% payable January 1 and July 1, with principal payments of \$49,929 to \$266,277 due on January 1 beginning in 2019 through 2026. The balance due on these bonds as of April 30, 2018 is \$1,560,000.

**CITY OF BELLEVILLE, ILLINOIS TAX INCREMENT FINANCING DISTRICTS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 3: LONG-TERM DEBT (Continued)**

Local Government Program Revenue Bonds, Series 2011C, dated October 27, 2011, interest ranging from 8.318% to 9.25% payable January 1 and July 1, with principal payments of \$265,000 to \$845,000 due on January 1 and July 1 through 2022. The balance due on these bonds as of April 30, 2018 is \$3,720,000.

The following is a summary of Tax Increment Financing notes and capital leases outstanding for the year ended April 30, 2017:

Capital Lease, dated July 19, 2012, interest rate of 2.55 percent payable in ten annual installments of \$56,061 through July 20, 2022. The balance due on this lease as of April 30, 2018 is \$259,853.

Capital Lease, dated February 11, 2013, interest rate of 3.278 percent payable in twenty-four semiannual installments of \$19,910 through January 11, 2025. The balance due on this lease as of April 30, 2018 is \$247,080.

Note Payable, dated March 22, 2016, interest rate of 1.730 percent payable in three annual installments of \$47,590 through December 30, 2018. The balance due on this note payable as of April 30, 2018 is \$46,857.

Capital Lease, dated October 17, 2016, interest rate of 1.836 percent payable in ten semiannual installments of \$26,772 through April 17, 2021. The balance due on this lease as of April 30, 2018 is \$155,426.

Capital Lease, dated November 21, 2017, interest rate of 2.97 percent payable in twenty semiannual installments of \$26,470 through November 22, 2022. The balance due on this lease as of April 30, 2018 is \$455,122.

The annual requirements to amortize Tax Increment Financing related debt as of April 30, 2018 are as follows:

Year Ending <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2019	\$ 3,408,618	\$ 2,452,066	\$ 5,860,684
2020	3,803,490	2,121,085	5,924,575
2021	4,180,181	1,854,011	6,034,192
2022	8,623,950	1,542,489	10,166,439
2023	3,021,620	1,233,604	4,255,224
2024-2028	20,136,479	3,127,831	23,264,310
2029-2031	3,145,000	330,100	3,475,100
	<u>\$ 46,319,338</u>	<u>\$ 12,661,186</u>	<u>\$ 58,980,524</u>

**CITY OF BELLEVILLE, ILLINOIS TAX INCREMENT FINANCING DISTRICTS**  
**NOTES TO FINANCIAL STATEMENTS (CONTINUED)**

**NOTE 4: REDEVELOPMENT AGREEMENT**

The City entered into a redevelopment agreement to develop an area within a tax increment financing boundary by which the developer would incur reimbursable costs which would be submitted for payment through Tax Increment Finance Notes. The debt would then be retired with tax revenues generated from the increase in values of the developed properties. The notes are payable solely from the new revenues and do not constitute a debt of the City.

The City made payments to reduce the principal amount of the Tax Increment Financing notes for the Reunion Development Project agreement by \$78,789 during the year ended April 30, 2018. These payments are being reported as development expense in the financial statements. The note balances related to this project in the total amount of \$19,938,426 are still outstanding and not reflected in the debt of the City as of April 30, 2018.

**NOTE 5: CHANGE IN BASIS OF ACCOUNTING**

In the current year, the City of Belleville changed the basis of accounting for the financial statements. The City adopted the modified accrual basis of accounting for fund financial statements in accordance with generally accepted accounting principles. In prior years, the City used the modified cash basis of accounting with is an other comprehensive basis of accounting. Accordingly, revenue is recognized when earned and collectible within sixty days of year end and expenditures are recognized when the liability is incurred.

Beginning fund balances have been restated to conform to the modified accrual basis of accounting. The changes made to the prior year ending balances are as follows:

Prior Ending Fund Balance	\$ 8,691,520
Changes made for:	
Intergovernmental receivable	731,827
Accounts receivable - other	110,112
Accounts payable	(875,223)
Deferred revenue - intergovernmental	<u>(261,835)</u>
Beginning Fund Balance, As Restated	<u>\$ 8,396,401</u>

**CITY OF BELLEVILLE, ILLINOIS**  
**TAX INCREMENT FINANCING DISTRICTS**

ANALYSIS OF SPECIAL ALLOCATION FUNDS  
 FOR THE YEAR ENDED APRIL 30, 2018

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14	Carlyle/ Greenmont
Beginning Balance - Adjusted	\$ 712,069	\$ (19,016)	\$ 127,275	\$ 904,711	\$ 65,835	\$ (64,533)	\$ 260,592	\$ 139,637	\$ 3,710,236
Receipts:									
Property Taxes	12,329,014	217,459	89,956	1,208,120	37,636	171,772	29,820	117,009	1,669,110
Local Sales Tax	-	-	-	-	-	-	-	-	1,549,015
Grant Revenue	424,975	-	-	-	-	-	-	-	-
Interest	60,487	1,324	1,769	17,603	861	753	2,788	3,152	20,298
Reimbursements/Other	32,772	-	-	-	-	-	-	114,595	-
Total Receipts	12,847,248	218,783	91,725	1,225,723	38,497	172,525	32,608	234,756	3,238,423
Disbursements:									
Professional Fees/Plan									
Administration/Development	1,244,928	8,813	500	79,789	500	5,500	500	8,548	18,906
Financing Costs	451,115	-	-	766,895	-	-	-	-	2,298,229
Capital Costs	3,181,772	-	-	31,834	-	-	-	-	-
Tax Rebates	4,679,939	27,427	-	-	-	-	-	-	834,555
Total Disbursements	9,557,754	36,240	500	878,518	500	5,500	500	8,548	3,151,690
Other Financing Sources (Uses)									
Proceeds of Debt	455,122	-	-	-	-	-	-	-	-
Operating Transfer In (Out)	(3,132,509)	-	(100,000)	(350,000)	(25,000)	(25,000)	(100,000)	(159,409)	-
Total Other Financing Sources (Uses)	(2,677,387)	-	(100,000)	(350,000)	(25,000)	(25,000)	(100,000)	(159,409)	-
Excess of Receipts Over (Under) Disbursements	612,107	182,543	(8,775)	(2,795)	12,997	142,025	(67,892)	66,799	86,733
Ending Fund Balance (Deficit) - Unadjusted	1,324,176	163,527	118,500	901,916	78,832	77,492	192,700	206,436	3,796,969
Less: Appropriated for Debt Service	(8,837,893)	-	-	(19,938,426)	-	-	-	(281,623)	(26,596,951)
Ending Fund Balance (Deficit) - Adjusted	\$ (7,513,717)	\$ 163,527	\$ 118,500	\$ (19,036,510)	\$ 78,832	\$ 77,492	\$ 192,700	\$ (75,187)	\$ (22,799,982)
Property Tax	\$ -	\$ 163,527	\$ 118,500	\$ -	\$ 78,832	\$ 77,492	\$ 192,700	\$ -	\$ -
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**CITY OF BELLEVILLE, ILLINOIS**  
**TAX INCREMENT FINANCING DISTRICTS**

ANALYSIS OF SPECIAL ALLOCATION FUNDS  
FOR THE YEAR ENDED APRIL 30, 2018

	District #16	District #17	District #18	Frank Scott		District #20	District #21	District #22	Total
				Parkway					
Beginning Balance - Adjusted	\$ 196,022	\$ (256,622)	\$ 106,516	\$ 2,465,779	\$ 74,979	\$ (27,079)	\$ -	\$ -	\$ 8,396,401
Receipts:									
Property Taxes	283,320	60,334	64,671	980,502	64,388	6,378	16,326	17,345,815	
Local Sales Tax	-	-	-	1,396,578	44,092	-	-	2,989,685	
Grant Revenue	-	-	-	-	-	-	-	424,975	
Interest	2,378	200	1,669	12,494	995	498	138	127,407	
Reimbursements/Other	-	-	-	-	-	-	-	147,367	
Total Receipts	285,698	60,534	66,340	2,389,574	109,475	6,876	16,464	21,035,249	
Disbursements:									
Professional Fees/Plan	2,184	63,754	771	19,417	350	-	138	1,454,598	
Administration/Development	-	-	-	1,796,697	-	-	-	5,312,936	
Financing Costs	402,166	-	-	-	-	-	-	3,615,772	
Capital Costs	63,717	3,628	-	490,251	75,820	-	-	6,175,337	
Tax Rebates	468,067	67,382	771	2,306,365	76,170	-	138	16,558,643	
Total Disbursements	(182,369)	(6,848)	65,569	83,209	33,305	6,876	16,326	1,039,810	
Other Financing Sources (Uses)									
Proceeds of Debt	-	-	-	-	-	-	-	455,122	
Operating Transfer In (Out)	-	-	-	-	-	-	-	(3,891,918)	
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	(3,436,796)	
Excess of Receipts Over (Under) Disbursements	13,653	(263,470)	172,085	2,548,988	108,284	(20,203)	16,326	9,436,211	
Ending Fund Balance (Deficit) - Unadjusted	-	-	-	(23,264,059)	-	-	-	-	(78,918,952)
Less: Appropriated for Debt Service									
Ending Fund Balance (Deficit) - Adjusted	\$ 13,653	\$ (263,470)	\$ 172,085	\$ (20,715,071)	\$ 108,284	\$ (20,203)	\$ 16,326	\$ (69,482,741)	
Property Tax	\$ 13,653	\$ -	\$ 172,085	\$ -	\$ 64,272	\$ -	\$ 16,326	\$ 897,387	
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ 44,012	\$ -	\$ -	\$ 44,012	

**CITY OF BELLEVILLE, ILLINOIS**  
**TAX INCREMENT FINANCING DISTRICTS**

ANALYSIS OF FUND BALANCE BY SOURCE  
(UNAUDITED)  
APRIL 30, 2018

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	1,324,176	163,527	118,500	901,916	78,832	77,492	192,700	206,436
Less: Appropriated for Debt Service	(8,837,893)	-	-	(19,938,426)	-	-	-	(281,623)
Ending Fund Balance (Deficit) - Adjusted	\$ (7,513,717)	\$ 163,527	\$ 118,500	\$ (19,036,510)	\$ 78,832	\$ 77,492	\$ 192,700	\$ (75,187)
Property Tax	\$ -	\$ 163,527	\$ 118,500	\$ -	\$ 78,832	\$ 77,492	\$ 192,700	\$ -
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22
Ending Fund Balance (Deficit) - Unadjusted	3,796,969	13,653	(263,470)	172,085	2,548,988	108,284	(20,203)	16,326
Less: Appropriated for Debt Service	(26,596,951)	-	-	-	(23,264,059)	-	-	-
Ending Fund Balance (Deficit) -	\$ (22,799,982)	\$ 13,653	\$ (263,470)	\$ 172,085	\$ (20,715,071)	\$ 108,284	\$ (20,203)	\$ 16,326
Property Tax	\$ -	\$ 13,653	\$ -	\$ 172,085	\$ -	\$ 64,272	\$ -	\$ 16,326
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 44,012	\$ -	\$ -

**CITY OF BELLEVILLE, ILLINOIS**  
**TAX INCREMENT FINANCING DISTRICTS**

ANALYSIS OF FUND BALANCE BY SOURCE  
 (UNAUDITED)  
 APRIL 30, 2017

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	1,216,430	(19,016)	127,275	904,711	65,835	(64,533)	260,592	139,637
Less: Appropriated for Debt Service	<u>(8,750,506)</u>	-	-	<u>(19,594,832)</u>	-	-	-	<u>(290,759)</u>
Ending Fund Balance (Deficit) - Adjusted	<u>\$ (7,534,076)</u>	<u>\$ (19,016)</u>	<u>\$ 127,275</u>	<u>\$ (18,690,121)</u>	<u>\$ 65,835</u>	<u>\$ (64,533)</u>	<u>\$ 260,592</u>	<u>\$ (151,122)</u>
Property Tax	\$ -	\$ -	\$ 127,275	\$ -	\$ 65,835	\$ -	\$ 260,592	\$ -
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Carlyle/ Greenmount	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	
Ending Fund Balance (Deficit) - Unadjusted	3,459,923	196,022	(253,348)	106,516	2,249,964	71,115	(27,079)	
Less: Appropriated for Debt Service	<u>(28,902,191)</u>	-	-	-	<u>(24,666,606)</u>	-	-	
Ending Fund Balance (Deficit) -	<u>\$ (25,442,268)</u>	<u>\$ 196,022</u>	<u>\$ (253,348)</u>	<u>\$ 106,516</u>	<u>\$ (22,416,642)</u>	<u>\$ 71,115</u>	<u>\$ (27,079)</u>	
Property Tax	\$ -	\$ 196,022	\$ -	\$ 106,516	\$ -	\$ 71,115	\$ -	
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	

















## PART II - ACTIVITIES

During its Fiscal Year ending April 30, 2018, the City of Belleville undertook or assisted in the following activities within its Tax Increment Financing Districts:

- TIF #3           \$4,678,178 of tax incentive rebates were issued to school districts and \$1,761 of tax incentive rebates were issued to businesses. This District performed work on several infrastructure projects such as West Main Streetscape, Union Avenue, Juanita Place, and Lakeshore Drive, in addition to needed demolition activity. This District also paid expenditures toward the City Hall renovation.
- TIF #8           \$27,427 of tax incentive rebates were issued to a business.
- TIF #9           No Material Activity.
- TIF #10          \$845,684 was paid a developer to reimburse for costs incurred for improvements that are part of a developer agreement.
- TIF #11          No Material Activity.
- TIF #12          No Material Activity.
- TIF #13          No Material Activity.
- TIF #14          No Material Activity.
- TIF #15          This District paid out tax incentive rebates of \$834,555 for costs incurred for improvements that are part of a developer agreement related to a retail complex located near Greenmount Road. This District also retired bond debt related to the retail complex.
- TIF #16          This District paid out tax incentive rebates of \$63,717 to a business. This District also incurred expense related to the Bicentennial Park improvements.
- TIF #17          This District incurred expense of \$63,754 for street and sidewalk improvements.
- TIF #18          No Material Activity.
- TIF #19          This District paid out tax incentive rebates of \$490,251 to a business as part of a developer agreement and retired bond debt related to that agreement.
- TIF #20          This District paid out tax incentive rebates of \$75,820 to a business.
- TIF #21          No Material Activity.
- TIF #21          No Material Activity.

### **PART III - OBLIGATIONS**

During the fiscal year ending April 30, 2018, the City of Belleville entered into a lease for a new 2017 E-One Custom Pumper. The City of Belleville did not issue any additional bonds. Further descriptions of outstanding debt and future debt service requirements are detailed in the notes to financial statements.



David M. Bartosiak  
Cindy A. Tefteller  
Kevin J. Tepen

**INDEPENDENT AUDITOR'S REPORT ON  
COMPLIANCE WITH TAX INCREMENT FINANCING ACT**

To the Honorable Mayor and  
City Council of  
City of Belleville, Illinois

We have audited the financial statements of the City of Belleville, Illinois' Tax Increment Financing District #3, Tax Increment Financing District #8 Downtown South, Tax Increment Financing District #9 Southwinds Estate, Tax Increment Financing District #10 Lower Richland Creek, Tax Increment Financing District #11 Industrial Jobs Recovery, Tax Increment Financing District #12 Sherman Street, Tax Increment Financing District #13 Drake Road, Tax Increment Financing District #14 Route 15 East, Tax Increment Financing District #15 Carlyle/Greenmount, Tax Increment Financing District #16 Route 15 Corridor, Tax Increment Financing District #17 East Main Street, Tax Increment Financing District #18 Scheel Street, Tax Increment Financing District #19 Frank Scott Parkway, Tax Increment Financing District #20 Route 15/South Green Mount Road, Tax Increment Financing District #21 Belle Valley III, and Tax Increment Financing District #22 Route 15 North as of and for the year ended April 30, 2018, as listed in the table of contents.

**Management's Responsibility for the Financial Statements**

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of the financial statements that are free from material misstatement, whether due to error or fraud.

**Auditor's Responsibility**

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including assessment of the risks of material misstatement of the financial

statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant estimates made by management, as well as evaluating the overall financial statement presentation.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### **Opinion**

In our opinion, the financial statements referred to above present fairly, in all material respects, the respective financial position of the City of Belleville, Illinois' Tax Increment Financing Districts, as referred to in the first paragraph, as of April 30, 2018 and the respective changes in financial position, and where applicable, cash flows thereof for the year ended in accordance with accounting principles generally accepted in the United States of America.

### **Prior Basis of Accounting**

The City of Belleville has kept its records and has prepared its financial statements for previous years on the modified cash basis of accounting. As described in Note 5 to the financial statements, The City has adopted accounting principles generally accepted in the United States of America as of the beginning of the current year. Although appropriate adjustments have been made to fund balances as of that date, it was not practicable to determine what adjustments would be necessary in the financial statements of the preceding year to retrospectively adjust the results of operations to conform with the accounting principles used in the current year.

### **Other Matters**

#### *Supplementary Information*

Our audit was conducted for the purpose of forming an opinion on the financial statements of the City of Belleville, Illinois' Tax Increment Financing Districts taken as a whole. The other supplementary data on pages 14 and 15 is presented for the purpose of additional analysis and is not a required part of the basic financial statements. This other supplementary information has been subjected to the auditing procedures applied in the audit of the basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the basic financial statements taken as a whole. This other supplementary information was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements. The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such

information directly to the underlying accounting and other records used to prepare the financial statements themselves, and other procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements taken as a whole.

The supplementary information on Pages 16 through 25 is presented for purposes of additional analysis and is not a required part of the financial statements. Such information has not been subjected to the auditing procedures applied in the audit of the financial statements and accordingly, we express no opinion on it.

*Compliance with Laws and Regulations*

The management of the City of Belleville, Illinois is responsible for the government's compliance with laws and regulations. In connection with our audit, referred to above, we selected and tested transactions and records to determine the government's compliance with 65 ILCS 5/11-74.1-3, "Tax Increment Allocation Redevelopment Act".

The results of our tests indicate that for the items tested, the City of Belleville, Illinois, complied with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act". Nothing came to our attention that caused us to believe that, for the items not tested, the City of Belleville, Illinois was not in compliance with Subsection (q) of 65 ILCS 5/11-74.4-3, "Tax Increment Allocation Redevelopment Act".

*C. J. Schlosser & Company LLC*  
Certified Public Accountants  
Alton, Illinois

October 5, 2018

## ATTACHMENT M

- 1.) **Intergovernmental agreement between the City of Belleville and Wolf Branch School District 113. Real estate taxes received in the amount of \$5,969.00 were transferred out to District 113.**
- 2.) **Intergovernmental agreement between the City of Belleville and Whiteside School District 115. Real estate taxes received in the amount of \$1,542.00 transferred out to District 115.**
- 3.) **Intergovernmental agreement between the City of Belleville and High Mount School District 116. Real estate taxes received in the amount of \$15,378.00 were transferred out to District 116.**
- 4.) **Intergovernmental agreement between the City of Belleville and Belleville School District 118. Real estate taxes received in the amount of \$1,944,789.00 were transferred out to District 118.**
- 5.) **Intergovernmental agreement between the City of Belleville and Belle Valley School District 119. Real estate taxes received in the amount of \$527,092.00 were transferred out to District 119.**
- 6.) **Intergovernmental agreement between the City of Belleville and Harmony-Emge School District 175. Real estate taxes received in the amount of \$305,730.00 were transferred to District 175.**
- 7.) **Intergovernmental agreement between the City of Belleville and Signal Hill School District 181. Real estate taxes received in the amount of \$134,885.00 were transferred out to District 181.**
- 8.) **Intergovernmental agreement between the City of Belleville and Belleville High School District 201. Real estate taxes received in the amount of \$1,570,726.00 were transferred out to District 201.**
- 9.) **Intergovernmental agreement between the City of Belleville and Southwestern Illinois College District 522. Real estate taxes received in the amount of \$22,067.00 were transferred out to District 522.**