

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

FY 2020

Name of Redevelopment Project Area (below):

Tax Increment Financing District #17

Primary Use of Redevelopment Project Area*: Combination/Mixed

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

If "Combination/Mixed" List Component Types: Retail; Residential

Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):

Tax Increment Allocation Redevelopment Act X

Industrial Jobs Recovery Law _____

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)] If yes, please enclose the amendment (labeled Attachment A).	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification (labeled Attachment B).		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion (labeled Attachment C).		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement (labeled Attachment D).	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) (labeled Attachment E).		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report (labeled Attachment H).	X	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached and (labeled Attachment J).	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)] If attachment I is yes, then Analysis MUST be attached and (labeled Attachment J).	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund (labeled Attachment K).		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose the list only, not actual agreements (labeled Attachment M).	X	

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 2020

Tax Increment Financing District #17

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ (221,506)

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	\$ 59,684	\$ 749,069	77%
State Sales Tax Increment	\$ -	\$ -	0%
Local Sales Tax Increment	\$ -	\$ -	0%
State Utility Tax Increment	\$ -	\$ -	0%
Local Utility Tax Increment	\$ -	\$ -	0%
Interest	\$ 239	\$ 3,186	0%
Land/Building Sale Proceeds	\$ -	\$ -	0%
Bond Proceeds	\$ -	\$ -	0%
Transfers from Municipal Sources	\$ -	\$ 120,146	12%
Private Sources	\$ -	\$ -	0%
Other (identify source _____; if multiple other sources, attach schedule)	\$ -	\$ 100,860	10%

All Amount Deposited in Special Tax Allocation Fund \$ 59,923

Cumulative Total Revenues/Cash Receipts \$ 973,261 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 26,324

Transfers to Municipal Sources \$ -

Distribution of Surplus

Total Expenditures/Disbursements \$ 26,324

Net/Income/Cash Receipts Over/(Under) Cash Disbursements \$ 33,599

Previous Year Adjustment (Explain Below) \$ -

FUND BALANCE, END OF REPORTING PERIOD* \$ (187,907)

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

Previous Year Explanation:

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

FY 2020

TIF NAME:

Tax Increment Financing District #17

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	18,855	
		\$ 18,855
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
Repairs	7,469	
		\$ -

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.

\$ -

TOTAL ITEMIZED EXPENDITURES

\$ 26,324

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

FY 2020

TIF NAME:

Tax Increment Financing District #17

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

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

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

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

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

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

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

Property (8):	
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 2020

TIF Name: **Tax Increment Financing District #17**

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. NO projects were undertaken by the Municipality Within the Redevelopment Project Area.	
--	--

2. The Municipality DID undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a.)	X
---	---

2a. The total number of ALL activities undertaken in furtherance of the objectives of the redevelopment plan:	15
--	----

LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:			
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 15,335,575	\$ -	\$ -
Public Investment Undertaken	\$ 844,724	\$ -	\$ 84,000
Ratio of Private/Public Investment	18 2/13		0

*PROJECT NAME TO BE LISTED AFTER PROJECT NUMBER

Project 1*: Seven Restaurant Bump Out

Private Investment Undertaken (See Instructions)	\$ 60,000		
Public Investment Undertaken	\$ 31,883		
Ratio of Private/Public Investment	1 15/17		0

Project 2*: HH Innovations

Private Investment Undertaken (See Instructions)	\$ 74,000		
Public Investment Undertaken			\$ 5,000
Ratio of Private/Public Investment	0		0

Project 3*: Papa Vito's Restaurant

Private Investment Undertaken (See Instructions)	\$ 150,000		
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 4*: E Washington Coupler

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 100,000		
Ratio of Private/Public Investment	0		0

Project 5*: Conkright, Inc.

Private Investment Undertaken (See Instructions)	\$ 450,000		
Public Investment Undertaken	\$ 478,513		
Ratio of Private/Public Investment	79/84		0

Project 6*: 401 E Washington Parking Lot

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 24,194		
Ratio of Private/Public Investment	0		0

Project 7*: Bellecourt Banquet Center

Private Investment Undertaken (See Instructions)	\$	189,075		
Public Investment Undertaken	\$	27,000		
Ratio of Private/Public Investment		7		0

Project 8*: 222 East Main Street

Private Investment Undertaken (See Instructions)	\$	100,000		
Public Investment Undertaken			\$	4,000
Ratio of Private/Public Investment		0		0

Project 9*: Meredith Home Improvements

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken	\$	126,764		
Ratio of Private/Public Investment		0		0

Project 10*: Parking Lot Improvements

Private Investment Undertaken (See Instructions)				
Public Investment Undertaken	\$	51,370		
Ratio of Private/Public Investment		0		0

Project 11*: Tygracon Properties - 300 East Main St

Private Investment Undertaken (See Instructions)	\$	1,500,000		
Public Investment Undertaken			\$	60,000
Ratio of Private/Public Investment		0		0

Project 12*: Meredith Home Development

Private Investment Undertaken (See Instructions)	\$	12,000,000		
Public Investment Undertaken				
Ratio of Private/Public Investment		0		0

Project 13*: Escape 618 - 102 East Main

Private Investment Undertaken (See Instructions)	\$	700,000		
Public Investment Undertaken			\$	10,000
Ratio of Private/Public Investment		0		0

Project 14*: Larissa Photography

Private Investment Undertaken (See Instructions)	\$	80,000		
Public Investment Undertaken	\$	5,000		
Ratio of Private/Public Investment		16		0

Project 15*: Nester Realty

Private Investment Undertaken (See Instructions)	\$	32,500		
Public Investment Undertaken			\$	5,000
Ratio of Private/Public Investment		0		0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. *even though optional MUST be included as part of the complete TIF report

SECTION 6
FY 2020

TIF NAME: Tax Increment Financing District #17

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV

List all overlapping tax districts in the redevelopment project area.
If overlapping taxing district received a surplus, list the surplus.

Check if the overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

SECTION 7

Provide information about job creation and retention:

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

SECTION 8

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

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

CITY OF BELLEVILLE, ILLINOIS



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

September 23, 2020

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, 2019 - April 30, 2020 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 20, 2020

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

**Re: Illinois Tax Increment Redevelopment Act:
Fiscal Year 2020 (May 1, 2019 through April 30, 2020)**

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, 2019 through April 30, 2020 (FY2020). 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

**ADDENDUM TO DEVELOPMENT AGREEMENT
FOR 16 S. ILLINOIS STREET, BELLEVILLE, IL**

THIS ADDENDUM TO DEVELOPMENT AGREEMENT (the "Addendum") is made this 16th day of March, 2020 by and between the City of Belleville, Illinois and MH Belleville Associates, LP., the parties to the Development Agreement executed on December 19, 2016, as amended on February 26, 2018 (the "Development Agreement"). This Addendum affirms, clarifies, expands, establishes procedures, and defines the responsibilities of the parties relative to item 3, "Responsibilities of the City of Belleville," of the amended Development Agreement, of which this Addendum is a part. Said item 3 affirms the City of Belleville's approval of the establishment of a Rental Assistance funding pool for the development to be located at 16. S. Illinois Ave, Belleville, Illinois known as Lofts on the Square. This Addendum establishes the RENTAL SUBSIDY AGREEMENT between the parties hereto, for the planned development.

I. RENTAL SUBSIDY AGREEMENT (this "Agreement") is made as of March 16, 2020, by and between the City of Belleville, Illinois (the "Grantor"), and MH Belleville Associates, LP, an Illinois limited partnership (the "Grantee"), with respect to the terms, conditions, and procedures by which this Agreement will be administered. The Grantor and the Grantee are collectively referred to as "Parties" and sometimes individually as "Party."

BACKGROUND:

A. The Grantee has been designated by the City of Belleville as the developer of the city-owned property located at 16 S. Illinois Street, Belleville IL (the "Project"), as evidenced by the City's approval and execution of the Development Agreement (as amended) as referenced in the preamble hereto. The Grantee plans to develop and operate the Project as a 47-unit affordable senior housing apartment complex known as "Lofts on the Square," as well as a street-level component of restaurant/retail space.

B. The Grantee will be the owner of the Project, and will continuously own and operate the Project in conformity with the Development Agreement (as Amended);

C. The Grantor desires to assist Grantee in achieving conformity with the priorities of the Illinois Housing Development Authority (which is providing financing for the Project), and to support the operation of the Project to ensure the Project's long term viability, by providing rental assistance as described in this Agreement. Therefore, the Grantor has taken formal municipal action to approve and establish a rental assistance program from non-federal funds of the City of Belleville as described in this Agreement.

II. TERMS AND CONDITIONS OF THIS AGREEMENT:

In consideration of the promises and the mutual covenants and agreements set forth herein the parties agree as follows:

A. Term of Agreement. The term of this agreement shall be for a period of ten (10) years, unless terminated earlier pursuant to paragraph II.D, below.

B. Effective Date. The effective date for the commencement of rental assistance funding shall be the date that is within thirty (30) days of the date on which the Grantee provides notice to the Grantor that the Project has been (or will be before the end of the 30 day notice period) completed and final Certificates of Occupancy have been issued, thereby commencing Project lease-up (the "Effective Date"). [Note: the Effective Date is likely to be in the 2nd or 3rd Quarter of 2021.]

C. Rental Assistance Grant Funding. The Grantor agrees to provide annual grant funding to the Grantee in the amounts set forth in Exhibit A hereto over the ten year term of this Agreement (the "Annual Funding") to provide rental assistance for twelve (12) units in the Project (the "Subsidized Units") for the term of this Agreement. The Annual Funding shall be disbursed to the Grantee, with the first Annual Funding to occur on the Effective Date, and subsequent Annual Fundings to occur each year on the anniversary date of the first Annual Funding through the ten (10) year term of this Agreement.

D. Obligation to Seek Replacement Subsidy. Notwithstanding the provisions of II.A and II.B, above, upon the publishing of any RFP by the St. Clair County Housing Authority (SCCHA) for the availability of Project-Based Section 8 Vouchers ("PBV") at any time during the ten-year period of this Agreement, the Grantee shall apply to SCCHA for an award of PBVs for at least the same number of units, unit types and household income restrictions as set forth in this Agreement. In the event that the Grantee shall at any time during the term of this Agreement successfully obtain a Housing Assistance Payment (HAP) Contract from the St. Clair County Housing Authority for PBVs that could effectively replace this Rental Subsidy Agreement, the Grantor's obligation to provide Annual Funding hereunder shall cease at the end of the year last funded in which year the issuance of the PBVs occurs.

E. Deposit of Funds. Upon receipt of any Annual Funding disbursement, the Grantee agrees to cause the Rental Assistance Grant to be held in a separate Project sub-account. Subsidy funds will be transferred monthly in increments of 1/12 of the amount of the Annual Funding as set forth for each year in Exhibit A.

F. Leasing and Affordability Restrictions. The tenants of the Subsidized Units shall pay an amount equal to 90% of the maximum LIHTC rent (net of utility allowance) as published by HUD from time-to-time for their respective family income categories (i.e., at or below 30% AMI or 50% AMI) toward rent, with the Monthly Rental Subsidy paying the balance of the rent. The Subsidized Units shall be occupied by tenants whose

family income is the percentage noted below (or less) of the area median income ("AMI") with adjustments for household size:

1. 30% AMI – two (2) studio units
2. 30% AMI – six (6) one-bedroom units
3. 30% AMI – two (2) two-bedroom units
4. 50% AMI – one (1) studio unit
5. 50% AMI – one (1) one-bedroom unit

G. Veteran Housing Program. The Grantor and the Grantee acknowledge the Grantee's desire to support the local veteran community. Accordingly, the Grantee has determined to give a leasing preference to senior military veterans for two (2) of the Subsidized Units in the Project. The Grantee agrees to and shall implement the following veteran housing program at the Project:

1. For thirty (30) days after receipt of a certificate of occupancy for the Subsidized Units the Grantee shall only lease two (2) such Subsidized Units to a qualified income eligible veteran. After the expiration of such thirty (30) day period, if the veteran designated Subsidized Unit has not been leased to a qualified income eligible veteran then such Subsidized Unit may be leased to a non-veteran qualified income eligible individual.
2. For thirty (30) days after a veteran designated Subsidized Unit becomes vacant the Grantee shall only lease such veteran designated Subsidized Unit to a qualified income eligible veteran. After the expiration of such thirty (30) day period if the veteran designated Subsidized Unit has not been leased to a qualified income eligible veteran then such Subsidized Unit may be lease to a non-veteran income eligible individual.
3. At all times throughout the term of this Agreement, Veterans shall be given priority on any waitlist for the two (2) Subsidized Units.
4. The Grantee and the Grantor shall coordinate with the St. Clair County Veterans Assistance Commission, the Illinois Department of Veterans Affairs, the VFW, and other related groups to promote the above referenced veteran housing program.

III. DUTIES AND OBLIGATIONS OF THE GRANTOR (THE CITY OF BELLEVILLE).

The Grantor hereby agrees and affirms that it will undertake to fulfill the following duties and obligation with respect to this Agreement:

- A. Make timely disbursement of each year's Annual Funding in accordance with the terms and conditions of this Agreement;
- B. Enter each year's funding obligation in the City of Belleville's annual budget so as to enable the Project's financial partners to verify the availability of the funds.

IV. DUTIES AND OBLIGATIONS OF THE GRANTEE

The Grantee hereby agrees and affirms that it will undertake to fulfill the following duties and obligation with respect to this Agreement:

- A. Continuously operate the Project in conformity with the terms and conditions of the Development Agreement (as amended);
- B. Upon request, Grantee shall provide the City of Belleville a copy of the Project cost certification prepared by the Grantee's third-party accountant after Project construction completion;
- C. Upon request, provide City of Belleville the annual Project audit prepared by the Grantee's third-party accountant;
- D. Upon request Provide City of Belleville with access to inspect property financial records;
- E. Upon request, provide City of Belleville with access for physical property inspections;

The City agrees to keep all such financial information confidential, except to the extent required for compliance with any applicable law, rule or regulation, including the Illinois Freedom of Information Act. The foregoing Obligations of the Grantee shall terminate upon the earlier to occur of (i) the expiration of the term of this Agreement, or (ii) the replacement of this Rental Subsidy Agreement by PBV issued by St. Clair County Housing Authority pursuant to paragraph II.D, above.

Grantee shall at all times have an individual designated as the City's primary point of contact for matters pertaining to this Agreement. The Grantee hereby initially designates Eric Schauster, Assistant Director of Economic Development & Planning as such primary point of contact. Within ten (10) business days of written request by the City, the Grantee shall meet with City staff to provide a comprehensive report on the status of the Rental Assistance Grant Program and any other logistical information deemed necessary by the City.

V. PROCEDURES

A. Fiscal Accountability Procedures. The parties agree to the following Fiscal Procedures in the administration of this Agreement:

1. Grantee will provide notice to Grantor in writing of at least thirty (30) days prior to each request for Annual Funding utilizing the form of Disbursement Request attached hereto as Exhibit C. Annual Fundings will be scheduled to occur on or near the Effective Date for the first year's Request for Funding, and on or near the anniversary date of the Effective Date for all subsequent years of the term of this Agreement;

2. Annual Funding will be deposited to a segregated Project sub-account and will be transferred monthly to the Project's Operating Account in increments of 1/12 of the amount of that year's Annual Funding based on the annual amount of subsidy set forth for each of the twelve Subsidized Units;

3. Grantee will cause the Property Manager to keep monthly records of transfers to the Project's Operating Account of all subsidies, the units to which they apply, the amount of the monthly subsidy for each unit, and a comprehensive accounting of the year's Annual Funding, running totals of subsidy disbursed, and balance remaining in the sub-account available to be drawn upon for subsequent months of any program year. Grantee will provide the Grantor with copies of year-end reports of the Rental Subsidy activity. Upon request, the Grantee will provide the Grantor with access to review the monthly records of the Rental Subsidies at any time;

4. In the event that this Agreement should be terminated due to the Grantee successfully obtaining Project-Based Vouchers issued by SCCHA that could effectively replace the Rental Subsidies under this Agreement, any remaining balance of that year's Annual Funding that remains in the Project's sub-account on the date that such Project-Based Vouchers become effective and commence payment, shall be returned to the Grantor.

A. Administration of Tenant Eligibility, Contract Rent, and Tenant Portion of Rent. The Grantee agrees to administer the determination of tenant eligibility and Tenant Portion of the rent as follows:

1. The determination of eligibility of resident to qualify for a Rental Subsidy in the Project will be determined and documented through the standard LIHTC Tenant Income Certification (TIC) process. The documentation in the tenant files for tenants determined to be eligible to receive a Rental Subsidy will be the same

as for all the other residents in the Project who must be certified as eligible for Affordable Housing Tax Credit occupancy.

2. The subsidized units Contract Rents for Year 1 will be the amount set forth by unit size in Exhibit D, and will increase 2% annually;
3. Residents will pay a "Tenant Portion" of the Contract Rent in an amount equal to 90% of the maximum LIHTC rent as published by HUD from time-to-time for their unit size and designated income level (30% AMI and 50% AMI). Unit sizes, types, and income restrictions are defined in II.F, above;
4. The Rental Subsidy sub-account will provide the subsidy for the difference between the Contract Rent and the Tenant Portion of the Rent, and that subsidy will be transferred for each tenant from the Project's sub-account to the Project's Operating Account on a monthly basis;
5. Records for each tenant receiving a rental subsidy will be available for inspection by the Grantor at any time upon request.

VI. OTHER TERMS AND CONDITIONS

A. The Parties to this Agreement may, in law or in equity, by suit, action, mandamus, or any other proceeding, enforce or compel the performance of this Agreement; provided, however, that the Grantee agrees that it will not seek, and does not have the right to seek, to recover a judgment for monetary damages against the City, or any of its elected or appointed officials, officers, employees, agents, representatives, engineers, or attorneys, on account of the negotiation, execution, or breach of this Agreement. In addition to every other remedy permitted by law for the enforcement of the terms of this Agreement, the City shall be entitled to withhold the issuance of certificates of occupancy for any and all buildings and structures within the Project at any time when the Grantee has failed or refused to meet fully any of its obligations under this Agreement. In the event of a judicial proceeding brought by one party to this Agreement against the other party to this Agreement, the prevailing party shall be entitled to reimbursement from the unsuccessful party of all costs and expenses, including without limitation reasonable attorneys' fees, incurred in connection with the judicial proceeding.

B. Any notice or communication required or permitted to be given under this Agreement shall be in writing and shall be delivered (i) personally, (ii) by a reputable overnight courier, (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, (iv) by facsimile, or (v) by electronic internet mail ("*e-mail*"). Facsimile notices shall be deemed valid only to the extent that they are (a) actually received by the individual to whom addressed and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three business days

thereafter at the appropriate address set forth below. E-mail notices shall be deemed valid only to the extent that they are (a) received by the recipient on a business day at the address set forth below, and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three business days thereafter at the appropriate address set forth below. Unless otherwise provided in this Agreement, notices shall be deemed received after the first to occur of (a) the date of actual receipt; or (b) the date that is one (1) business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (b) the date that is three (3) business days after deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section 7, each party to this Agreement shall have the right to change the address or the addressee, or both, for all future notices and communications to them, but no notice of a change of addressee or address shall be effective until actually received.

C. Notices and communications to the City shall be addressed to, and delivered at, the following address:

City of Belleville
101 S. Illinois St.
Belleville, IL 62220
ATTN: Mayor's Office
Telephone: (618) 233-6518; Ext. 1239
Fax: (618) 233-6779
E-mail:

D. Notices and communications to the Grantee shall be addressed to, and delivered at, the following address:

MH Belleville Associates, LP
c/o SWIDA
1022 Eastport Plaza Drive
Collinsville, IL 62234
Attn: Destini Lednický
Telephone: (618) 345-3400
E-mail: dlednický@swida.org

With copies to:

Applegate & Thorne-Thomsen, P.C.

425 S. Financial Place, Suite 1900
Chicago, Illinois 60605
Attn: Warren P. Wenzloff
E-mail: wwenzloff@att-law.com

E. Time of the Essence. Time is of the essence in the performance of this Agreement.

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

G. Governing Law. This Agreement shall be governed by, and enforced in accordance with, the internal laws, but not the conflicts of laws rules, of the State of Illinois.

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

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

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

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

IN WITNESS WHEREOF, the parties have executed this Agreement this day and year first written above.

Grantor:

CITY OF BELLEVILLE

By: Mark W. Ecken Mayor

ATTEST:

AMS City Clerk

Grantee:

MH BELLEVILLE ASSOCIATES, LP,

By: MH Belleville GP, LLC, its general partner

By: SWIDA Development II, LLC, its member

By: Michael Lundy
Name: Michael Lundy
Title: President



CITY OF BELLEVILLE, ILLINOIS

TAX INCREMENT FINANCING DISTRICTS
ANNUAL REPORT

FINANCIAL STATEMENTS

FOR THE YEAR ENDED
APRIL 30, 2020

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

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, 2020, 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, 2020 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.

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. Schloer & Company, LLC

Certified Public Accountants
Alton, Illinois

September 23, 2020

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

COMBINING BALANCE SHEET
ALL TAX INCREMENT FINANCING DISTRICTS
APRIL 30, 2020

	Tax Increment Financing										Carlyle/ Greenmont	
	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14				
Assets												
Cash and Investments	\$ 2,853,305	\$ 199,771	\$ 170,998	\$ 957,479	\$ 109,065	\$ 334,527	\$ 104,805	\$ 219,731			\$ 3,662,909	
Receivables (Net of allowance for uncollectible):												
Property Tax	13,259,400	199,700	93,300	1,296,900	40,100	191,500	31,700	168,000			1,878,700	
Intergovernmental	-	-	-	-	-	-	-	-			360,946	
Other	83,315	-	-	-	-	-	-	-			-	
Due Between TIF Funds	405,000	-	-	-	-	-	-	-			-	
Total Assets	<u>\$ 16,601,020</u>	<u>\$ 399,471</u>	<u>\$ 264,298</u>	<u>\$ 2,254,379</u>	<u>\$ 149,165</u>	<u>\$ 526,027</u>	<u>\$ 136,505</u>	<u>\$ 387,731</u>			<u>\$ 5,902,555</u>	
Liabilities, Deferred Inflows of Resources, and Fund Balance												
Liabilities:												
Accounts Payable	\$ 801,035	\$ 1,858	\$ -	\$ 1,010	\$ -	\$ -	\$ -	\$ -			\$ -	
Deferred Inflows of Resources:												
Unearned Revenue	13,259,400	199,700	93,300	1,296,900	40,100	191,500	31,700	168,000			2,019,314	
Fund Balance:												
Nonspendable	25,178	-	-	-	-	-	-	-			-	
Restricted for Debt Service	-	-	-	-	-	-	-	-			3,883,241	
Restricted	2,515,407	197,913	170,998	956,469	109,065	334,527	104,805	219,731			-	
Total Fund Balance	<u>2,540,585</u>	<u>197,913</u>	<u>170,998</u>	<u>956,469</u>	<u>109,065</u>	<u>334,527</u>	<u>104,805</u>	<u>219,731</u>			<u>3,883,241</u>	
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 16,601,020</u>	<u>\$ 399,471</u>	<u>\$ 264,298</u>	<u>\$ 2,254,379</u>	<u>\$ 149,165</u>	<u>\$ 526,027</u>	<u>\$ 136,505</u>	<u>\$ 387,731</u>			<u>\$ 5,902,555</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, 2020

	Tax Increment Financing							Debt Service Fund	Total
	Frank Scott								
	District #16	District #17	District #18	Parkway	District #20	District #21	District #22		
<u>Assets</u>									
Cash and Investments	\$ 81,004	\$ 59,247	\$ 290,770	\$ 2,673,274	\$ 174,771	\$ 33,663	\$ 130,072	\$ 267,369	\$ 12,322,760
Receivables (Net of allowance for uncollectible):									
Property Tax	300,400	64,400	64,100	1,047,900	71,100	8,000	127,900	-	18,843,100
Intergovernmental	149,397	-	-	421,524	4,043	-	-	-	935,910
Other	-	-	-	-	-	-	-	-	83,315
Due Between TIF Funds	(100,000)	(246,000)	-	-	-	(59,000)	-	-	-
Total Assets	<u>\$ 430,801</u>	<u>\$ (122,353)</u>	<u>\$ 354,870</u>	<u>\$ 4,142,698</u>	<u>\$ 249,914</u>	<u>\$ (17,337)</u>	<u>\$ 257,972</u>	<u>\$ 267,369</u>	<u>\$ 32,185,085</u>
<u>Liabilities, Deferred Inflows of Resources, and Fund Balance</u>									
Liabilities:									
Accounts Payable	\$ 11,050	\$ 1,154	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 816,107
Deferred Inflows of Resources:									
Unearned Revenue	300,400	64,400	64,100	1,207,232	72,407	8,000	127,900	-	19,144,353
Fund Balance:									
Nonspendable	-	-	-	-	-	-	-	-	25,178
Restricted for Debt Service	-	-	-	2,935,466	-	-	-	-	267,369
Restricted	119,351	(187,907)	290,770	-	177,507	(25,337)	130,072	-	5,113,371
Total Fund Balance	<u>119,351</u>	<u>(187,907)</u>	<u>290,770</u>	<u>2,935,466</u>	<u>177,507</u>	<u>(25,337)</u>	<u>130,072</u>	<u>267,369</u>	<u>12,224,625</u>
Total Liabilities, Deferred Inflows of Resources, and Fund Balance	<u>\$ 430,801</u>	<u>\$ (122,353)</u>	<u>\$ 354,870</u>	<u>\$ 4,142,698</u>	<u>\$ 249,914</u>	<u>\$ (17,337)</u>	<u>\$ 257,972</u>	<u>\$ 267,369</u>	<u>\$ 32,185,085</u>

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

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, 2020

	Tax Increment Financing										Carlyle/ Greenmont	
	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14				
Revenues:												
Property Taxes	\$ 12,473,688	\$ 195,141	\$ 91,700	\$ 1,244,875	\$ 38,960	\$ 175,277	\$ 30,169	\$ 155,815	\$ 1,799,366			
Intergovernmental	20,733	-	-	-	-	-	-	-	1,649,446			
Interest	56,566	1,404	1,679	22,327	1,530	2,871	2,000	3,905	65,181			
Reimbursements/Other	190,173	-	-	-	-	-	12,993	-	-			
Total Revenues	12,741,160	196,545	93,379	1,267,202	40,490	178,148	45,162	159,720	3,513,993			
Expenditures:												
Contractual Services	1,442,146	50,113	-	1,210	-	4,552	2,955	-	26,019			
Tax Rebates	4,466,823	28,042	-	-	-	-	-	23,338	899,683			
Capital Outlay	1,890,000	-	-	-	-	-	18,000	-	-			
Debt Service:												
Principal	276,326	-	-	-	-	-	-	-	950,000			
Interest and Fiscal Charges	35,964	-	-	871,412	-	-	-	-	1,461,091			
Total Expenditures	8,111,259	78,155	-	872,622	-	4,552	20,955	23,338	3,336,793			
Excess of Revenues Over (Under) Expenditures	4,629,901	118,390	93,379	394,580	40,490	173,596	24,207	136,382	177,200			
Other Financing Sources (Uses)												
Proceeds of Debt	158,194	-	-	-	-	-	-	-	-			
Operating Transfers In (Out)	(3,463,504)	(100,000)	(50,000)	(350,000)	(25,000)	(50,000)	(25,000)	(109,409)	-			
Total Other Financing Sources (Uses)	(3,305,310)	(100,000)	(50,000)	(350,000)	(25,000)	(50,000)	(25,000)	(109,409)	-			
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Financing Uses	1,324,591	18,390	43,379	44,580	15,490	123,596	(793)	26,973	177,200			
Fund Balance, Beginning of Year	1,215,994	179,523	127,619	911,889	93,575	210,931	105,598	192,758	3,706,041			
Fund Balance, End of Year	\$ 2,540,585	\$ 197,913	\$ 170,998	\$ 956,469	\$ 109,065	\$ 334,527	\$ 104,805	\$ 219,731	\$ 3,883,241			

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

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, 2020**

	Tax Increment Financing						Debt Service Fund	Total
	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21		
Revenues:								
Property Taxes	\$ 287,149	\$ 59,684	\$ 60,229	\$ 1,035,277	\$ 68,167	\$ 7,385	\$ 98,914	\$ 17,821,796
Intergovernmental	149,397	-	-	1,498,881	39,713	-	-	3,358,170
Interest	1,371	239	2,885	36,176	1,323	163	322	203,336
Reimbursements/Other	-	-	-	-	-	-	-	203,166
Total Revenues	<u>437,917</u>	<u>59,923</u>	<u>63,114</u>	<u>2,570,334</u>	<u>109,203</u>	<u>7,548</u>	<u>99,236</u>	<u>21,586,468</u>
Expenditures:								
Contractual Services	26,826	26,324	-	14,920	-	-	3,923	1,598,988
Tax Rebates	64,460	-	4,546	517,638	71,062	-	-	6,075,592
Capital Outlay	195,977	-	-	-	-	12,420	-	2,116,397
Debt Service:								
Principal	-	-	-	480,000	-	-	-	1,706,326
Interest and Fiscal Charges	-	-	-	1,221,209	-	-	-	3,843,688
Total Expenditures	<u>287,263</u>	<u>26,324</u>	<u>4,546</u>	<u>2,233,767</u>	<u>71,062</u>	<u>12,420</u>	<u>3,923</u>	<u>15,340,991</u>
Excess of Revenues Over (Under) Expenditures	<u>150,654</u>	<u>33,599</u>	<u>58,568</u>	<u>336,567</u>	<u>38,141</u>	<u>(4,872)</u>	<u>95,313</u>	<u>6,245,477</u>
Other Financing Sources (Uses)								
Proceeds of Debt	-	-	-	-	-	-	-	158,194
Operating Transfers In (Out)	-	-	-	-	-	-	-	(3,918,613)
Total Other Financing Sources (Uses)	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>(3,760,419)</u>
Excess of Revenues and Other Financing Sources Over (Under) Expenditures and Financing Uses	<u>150,654</u>	<u>33,599</u>	<u>58,568</u>	<u>336,567</u>	<u>38,141</u>	<u>(4,872)</u>	<u>95,313</u>	<u>2,485,058</u>
Fund Balance, Beginning of Year	<u>(31,303)</u>	<u>(221,506)</u>	<u>232,202</u>	<u>2,598,899</u>	<u>139,366</u>	<u>(20,465)</u>	<u>34,759</u>	<u>9,739,567</u>
Fund Balance, End of Year	<u>\$ 119,351</u>	<u>\$ (187,907)</u>	<u>\$ 290,770</u>	<u>\$ 2,935,466</u>	<u>\$ 177,507</u>	<u>\$ (25,337)</u>	<u>\$ 130,072</u>	<u>\$ 12,224,625</u>

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, 2020

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, 2020 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, 2020.

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 \$12,322,760 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, 2020:

Tax Increment Refunding Revenue Bonds, Series 2007A Bonds, dated September 28, 2007, interest at 5.70% payable May 1 and November 1, with scheduled principal payments of \$250,000 through \$1,955,000 due on May 1 and November 1 through 2024. The balance due on these bonds as of April 30, 2019 is \$13,140,000.

Taxable Business District Revenue Bonds, Series 2007B Bonds, dated September 28, 2007, interest at 7.875% payable May 1 and November 1, with scheduled principal payments of \$375,000 to \$790,000 due on May 1 and November 1 through 2021. The balance due on these bonds as of April 30, 2020 is \$5,920,000.

General Obligation Bonds, Series 2011, dated February 17, 2011, interest ranging from 5.00% to 5.25% payable January 1 and July 1, with scheduled 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, 2020 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 scheduled principal payments of \$1,050,000 to \$2,025,000 due on January 1 and July 1 through 2027. The balance due on these bonds as of April 30, 2020 is \$13,550,000.

Local Government Program Revenue Bonds, Series 2011B, dated October 27, 2011, interest at 8.75% payable January 1 and July 1, with scheduled principal payments of \$174,239 to \$266,277 due on January 1 through 2026. The balance due on these bonds as of April 30, 2020 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 at 9.25% payable January 1 and July 1, with scheduled principal payments of \$395,000 to \$845,000 due on January 1 and July 1 through 2022. The balance due on these bonds as of April 30, 2020 is \$2,805,000.

The following is a summary of Tax Increment Financing notes and capital leases outstanding for the year ended April 30, 2019:

Capital Lease for a fire truck, 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, 2020 is \$159,865.

Capital Lease for energy improvements, 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, 2020 is \$182,163.

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, 2020 is \$52,791.

Capital Lease for an E-One custom pumper, dated November 21, 2017, interest rate of 2.97 percent payable in twenty semiannual installments of \$26,470 through November 22, 2027. The balance due on this lease as of April 30, 2020 is \$374,504.

Capital Lease for a Vactor truck, dated July 30, 2018, interest rate of 1.73 percent payable in ten semi-annual installments of \$43,156 through January 31, 2023. The balance due on this lease as of April 30, 2020 is \$245,115.

Promissory note for street department vehicles, dated January 24, 2020, interest rate of 2.19 percent payable in six annual installments of \$23,614 and one final payment of \$22,013 on February 24, 2023. The balance due on this note payable as of April 30, 2020 is \$134,878.

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

The annual requirements to amortize Tax Increment Financing related debt as of April 30, 2020 are as follows:

Year Ending <u>April 30,</u>	<u>Principal</u>	<u>Interest</u>	<u>Totals</u>
2021	\$ 4,303,795	\$ 1,863,938	\$ 6,167,733
2022	10,116,103	1,548,876	11,664,979
2023	3,150,847	1,236,318	4,387,165
2024	3,119,169	1,040,684	4,159,853
2025	9,252,533	835,706	10,088,239
2026-2030	12,081,869	1,523,793	13,605,662
2031	<u>1,100,000</u>	<u>57,750</u>	<u>1,157,750</u>
	<u>\$ 43,124,316</u>	<u>\$ 8,107,065</u>	<u>\$ 51,231,381</u>

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 of \$5,412 to reduce the principal amount of the Tax Increment Financing notes for the Reunion Development Project agreement during the year ended April 30, 2020. The City made interest payments of \$866,000 related to these notes. Note balances related to this project in the total amount of \$20,982,853 are still outstanding and not reflected in the debt of the City as of April 30, 2020.

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF SPECIAL ALLOCATION FUNDS
FOR THE YEAR ENDED APRIL 30, 2020

	District #16	District #17	District #18	Frank Scott Parkway	District #20	District #21	District #22	Total
Beginning Balance - Adjusted	\$ (31,303)	\$ (221,506)	\$ 232,202	\$ 2,598,899	\$ 139,366	\$ (20,465)	\$ 34,759	\$ 9,739,567
Receipts:								
Property Taxes	287,149	59,684	60,229	1,035,277	68,167	7,385	98,914	17,821,796
Local Sales Tax	-	-	-	1,498,881	39,713	-	-	3,188,040
Grant Revenue	149,397	-	-	-	-	-	-	170,130
Interest	1,371	239	2,885	36,176	1,323	163	322	203,336
Reimbursements/Other	-	-	-	-	-	-	-	203,166
Total Receipts	437,917	59,923	63,114	2,570,334	109,203	7,548	99,236	21,586,468
Disbursements:								
Professional Fees/Plan								
Administration/Development	26,826	26,324	-	14,920	-	-	3,923	1,598,988
Financing Costs	-	-	-	1,701,209	-	-	-	5,550,014
Capital Costs	195,977	-	-	-	-	12,420	-	2,116,397
Tax Rebates	64,460	-	4,546	517,638	71,062	-	-	6,075,592
Total Disbursements	287,263	26,324	4,546	2,233,767	71,062	12,420	3,923	15,340,991
Other Financing Sources (Uses)								
Proceeds of Debt	-	-	-	-	-	-	-	158,194
Operating Transfer In (Out)	-	-	-	-	-	-	-	(3,918,613)
Total Other Financing Sources (Uses)	-	-	-	-	-	-	-	(3,760,419)
Excess of Receipts Over (Under) Disbursements	150,654	33,599	58,568	336,567	38,141	(4,872)	95,313	2,485,058
Ending Fund Balance (Deficit) - Unadjusted	119,351	(187,907)	290,770	2,935,466	177,507	(25,337)	130,072	12,224,625
Less: Appropriated for Debt Service	-	-	-	(20,665,049)	-	-	-	(72,214,235)
Ending Fund Balance (Deficit) - Adjusted	\$ 119,351	\$ (187,907)	\$ 290,770	\$ (17,729,583)	\$ 177,507	\$ (25,337)	\$ 130,072	\$ (59,989,610)
Property Tax	\$ 119,351	\$ -	\$ 290,770	\$ -	\$ 112,163	\$ -	\$ 130,072	\$ 1,569,664
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ 65,344	\$ -	\$ -	\$ 65,344

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF SPECIAL ALLOCATION FUNDS
FOR THE YEAR ENDED APRIL 30, 2020

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Beginning Balance - Adjusted	\$ 1,479,681	\$ 179,523	\$ 127,619	\$ 911,889	\$ 93,575	\$ 210,931	\$ 105,598	\$ 192,758
Receipts:								
Property Taxes	12,473,688	195,141	91,700	1,244,875	38,960	175,277	30,169	155,815
Local Sales Tax	-	-	-	-	-	-	-	-
Grant Revenue	20,733	-	-	-	-	-	-	-
Interest	59,960	1,404	1,679	22,327	1,530	2,871	2,000	3,905
Reimbursements/Other	190,173	-	-	-	-	-	12,993	-
Total Receipts	12,744,554	196,545	93,379	1,267,202	40,490	178,148	45,162	159,720
Disbursements:								
Professional Fees/Plan								
Administration/Development	1,442,146	50,113	-	1,210	-	4,552	2,955	-
Financing Costs	566,302	-	-	871,412	-	-	-	-
Capital Costs	1,890,000	-	-	-	-	-	18,000	-
Tax Rebates	4,466,823	28,042	-	-	-	-	-	23,338
Total Disbursements	8,365,271	78,155	-	872,622	-	4,552	20,955	23,338
Other Financing Sources (Uses)								
Proceeds of Debt	158,194	-	-	-	-	-	-	-
Operating Transfer In (Out)	(3,209,204)	(100,000)	(50,000)	(350,000)	(25,000)	(50,000)	(25,000)	(109,409)
Total Other Financing Sources (Uses)	(3,051,010)	(100,000)	(50,000)	(350,000)	(25,000)	(50,000)	(25,000)	(109,409)
Excess of Receipts Over (Under) Disbursements	1,328,273	18,390	43,379	44,580	15,490	123,596	(793)	26,973
Ending Fund Balance (Deficit) - Unadjusted	2,807,954	197,913	170,998	956,469	109,065	334,527	104,805	219,731
Less: Appropriated for Debt Service	(8,295,269)	-	-	(20,982,853)	-	-	-	(263,349)
Ending Fund Balance (Deficit) - Adjusted	\$ (5,487,315)	\$ 197,913	\$ 170,998	\$ (20,026,384)	\$ 109,065	\$ 334,527	\$ 104,805	\$ (43,618)
Property Tax	\$ -	\$ 197,913	\$ 170,998	\$ -	\$ 109,065	\$ 334,527	\$ 104,805	\$ -
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCE BY SOURCE
(UNAUDITED)
APRIL 30, 2020

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	2,807,954	197,913	170,998	956,469	109,065	334,527	104,805	219,731
Less: Appropriated for Debt Service	<u>(8,295,269)</u>	-	-	<u>(20,982,853)</u>	-	-	-	<u>(263,349)</u>
Ending Fund Balance (Deficit) - Adjusted	<u>\$ (5,487,315)</u>	<u>\$ 197,913</u>	<u>\$ 170,998</u>	<u>\$ (20,026,384)</u>	<u>\$ 109,065</u>	<u>\$ 334,527</u>	<u>\$ 104,805</u>	<u>\$ (43,618)</u>
Property Tax	\$ -	\$ 197,913	\$ 170,998	\$ -	\$ 109,065	\$ 334,527	\$ 104,805	\$ -
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
	Carlyle/ Greenmount				Frank Scott Parkway			District #22
Ending Fund Balance (Deficit) - Unadjusted	3,883,241	119,351	(187,907)	290,770	2,935,466	177,507	(25,337)	130,072
Less: Appropriated for Debt Service	<u>(22,007,715)</u>	-	-	-	<u>(20,665,049)</u>	-	-	-
Ending Fund Balance (Deficit) -	<u>\$ (18,124,474)</u>	<u>\$ 119,351</u>	<u>\$ (187,907)</u>	<u>\$ 290,770</u>	<u>\$ (17,729,583)</u>	<u>\$ 177,507</u>	<u>\$ (25,337)</u>	<u>\$ 130,072</u>
Property Tax	\$ -	\$ 119,351	\$ -	\$ 290,770	\$ -	\$ 112,163	\$ -	\$ 130,072
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,344	\$ -	\$ -

CITY OF BELLEVILLE, ILLINOIS
TAX INCREMENT FINANCING DISTRICTS

ANALYSIS OF FUND BALANCE BY SOURCE
 (UNAUDITED)
 APRIL 30, 2019

	District #3	District #8	District #9	District #10	District #11	District #12	District #13	District #14
Ending Fund Balance (Deficit) - Unadjusted	1,479,681	179,523	127,619	911,889	93,575	210,931	105,598	192,758
Less: Appropriated for Debt Service	<u>(8,688,522)</u>	-	-	<u>(20,537,371)</u>	-	-	-	<u>(272,486)</u>
Ending Fund Balance (Deficit) - Adjusted	<u>\$ (7,208,841)</u>	<u>\$ 179,523</u>	<u>\$ 127,619</u>	<u>\$ (19,625,482)</u>	<u>\$ 93,575</u>	<u>\$ 210,931</u>	<u>\$ 105,598</u>	<u>\$ (79,728)</u>
Property Tax	\$ -	\$ 179,523	\$ 127,619	\$ -	\$ 93,575	\$ 210,931	\$ 105,598	\$ -
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	3,706,041	(31,303)	(221,506)	232,202	2,598,899	139,366	(20,465)	34,759
Less: Appropriated for Debt Service	<u>(24,116,058)</u>	-	-	-	<u>(21,827,953)</u>	-	-	-
Ending Fund Balance (Deficit) -	<u>\$ (20,410,017)</u>	<u>\$ (31,303)</u>	<u>\$ (221,506)</u>	<u>\$ 232,202</u>	<u>\$ (19,229,054)</u>	<u>\$ 139,366</u>	<u>\$ (20,465)</u>	<u>\$ 34,759</u>
Property Tax	\$ -	\$ -	\$ -	\$ 232,202	\$ -	\$ 88,453	\$ -	\$ 34,759
State Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Local Sales Tax	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 50,913	\$ -	\$ -

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	<u>(8,837,893)</u>	-	-	<u>(19,938,426)</u>	-	-	-	<u>(281,623)</u>
Ending Fund Balance (Deficit) - Adjusted	<u>\$ (7,513,717)</u>	<u>\$ 163,527</u>	<u>\$ 118,500</u>	<u>\$ (19,036,510)</u>	<u>\$ 78,832</u>	<u>\$ 77,492</u>	<u>\$ 192,700</u>	<u>\$ (75,187)</u>
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	<u>(26,596,951)</u>	-	-	-	<u>(23,264,059)</u>	-	-	-
Ending Fund Balance (Deficit) -	<u>\$ (22,799,982)</u>	<u>\$ 13,653</u>	<u>\$ (263,470)</u>	<u>\$ 172,085</u>	<u>\$ (20,715,071)</u>	<u>\$ 108,284</u>	<u>\$ (20,203)</u>	<u>\$ 16,326</u>
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	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
					Frank Scott Parkway			
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, 2020, the City of Belleville undertook or assisted in the following activities within its Tax Increment Financing Districts:

- TIF #3 This District paid \$4,466,823 of tax incentive rebates to school districts for capital replacement costs. This District performed work on several infrastructure projects such as 17th to 28th street resurfacing, 6th to 12th Street streetscape, West A street reconstruction, Centreville Ave. engineering, and Raab Ave. reconstruction. The District also purchased several vehicles related to operations in the District and purchased two properties.
- TIF #8 This District paid \$28,042 of tax incentive rebates to a business in addition to infrastructure improvements on S. Illinois Street.
- TIF #9 No Material Activity.
- TIF #10 This District paid \$871,412 to 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 The District performed culvert upgrades on Frank Scott Parkway.
- TIF #14 This District paid \$23,338 of tax incentive rebates to a business.
- TIF #15 This District paid tax incentive rebates of \$899,683 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 tax incentive rebates of \$64,460 to a business. This District also incurred expense related to the Bicentennial Park improvements.
- TIF #17 No Material Activity.
- TIF #18 No Material Activity.
- TIF #19 This District paid tax incentive rebates of \$517,638 to a business as part of a developer agreement and also retired bond debt related to that agreement.
- TIF #20 This District paid tax incentive rebates of \$71,062 to a business.
- TIF #21 No Material Activity.
- TIF #22 No Material Activity.

PART III - OBLIGATIONS

During the fiscal year ending April 30, 2020, the City of Belleville entered into a loan agreement for a new street department vehicle. 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. Tefeller
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, 2020, 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, 2020 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.

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. Schloer & Company, LLC

Certified Public Accountants

Alton, Illinois

September 23, 2020