

ORDINANCE NO. 1014

STATE OF ILLINOIS)
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COUNTIES OF COOK)
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AN ORDINANCE AUTHORIZING ENTRY INTO A REDEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF STEGER, COUNTIES OF COOK AND WILL, STATE OF ILLINOIS AND MED VOC REHABILITATION, LTD.

WHEREAS, the Village of Steger is a municipal corporation of the State of Illinois pursuant to the constitution of the State of Illinois; and,

WHEREAS, the Village of Steger has gone through the lawful procedures set forth in 65 Illinois Compiled Statutes 5/11-74-4, et seq. to establish a Tax Increment Financing redevelopment area within the Village of Steger; and,

WHEREAS, MedVoc Rehabilitation represents to the Village that it has purchased or shall cause to be purchased certain real estate in the redevelopment area and that it wishes to redevelop this land with the benefits of tax increment financing; and,

WHEREAS, the proposed redevelopment by MedVoc Rehabilitation does not change or alter the project and plan adopted by the Village but is consistent therewith; and,

WHEREAS, it is in the best interests of the Village of Steger that this Redevelopment Agreement be entered into.

NOW THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Steger, Counties of Cook and Will and State of Illinois that the Redevelopment Agreement by and between MedVoc Rehabilitation, LTD an Illinois Corporation, and the Village of Steger, Cook and Will County, Illinois, dated June 20, 2011, is hereby approved and the Village President is authorized to execute the said Agreement and the Village Clerk is directed to attest to said execution, all on behalf of the Village of Steger.

REDEVELOPMENT AGREEMENT

This Redevelopment Agreement (this "Agreement") is made and entered this 20TH day of June, 2011 between MedVoc Rehabilitation, LTD, an Illinois Corporation (the "Developer") and the Village of Steger, Will County, Illinois, an Illinois municipal corporation (the "Village") by its Village President and Board of Trustees, (collectively referred to herein as the "Corporate Authorities"). The Developer and the Village are collectively referred to herein as the "Parties."

A. WHEREAS, the Village is a municipal corporation of the State of Illinois pursuant to the Constitution of the State of Illinois; and

B. WHEREAS, the Developer is an Illinois Corporation; and

C. WHEREAS, the Village has undertaken a program for the redevelopment of certain property within the Village, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74-4, et seq., (the "Act"); and

D. WHEREAS, on March 21, 2005, acting pursuant to the Act and after giving all notices required by law and after conducting all public hearings required by law, the Corporate Authorities passed and approved the following ordinances: (i) Ordinance No. 915, entitled, "An Ordinance Approving Designation of a Tax Increment Redevelopment Plan and Redevelopment Project for the South Chicago Road TIF Redevelopment Area;" and (ii) Ordinance No. 916, entitled, "An Ordinance Adopting Tax Increment Financing For the South Chicago Road TIF Redevelopment Area;" and

E. WHEREAS, the above referenced Ordinances designated the area legally described on the attached Exhibit A as being located within a redevelopment project area (the "Redevelopment Project Area") which is identified as the South Chicago Road Tax Increment Redevelopment Project Area, and designated a redevelopment plan and project for that Redevelopment Project Area (the "Redevelopment Plan") pursuant to the Act; and

F. WHEREAS, the Developer has purchased or shall cause to be purchased certain real estate within the Redevelopment Project Area legally described on the attached Exhibit B (the "Property"); and

G. WHEREAS, the Developer seeks to develop certain commercial property (the "Project").

H. WHEREAS, the Village seeks to approve the Developer as one of the developers of the Redevelopment Project Area and has approved the Project, subject to the Developer's compliance with all applicable laws, statues, codes, ordinances, rules and regulations; and

I. WHEREAS, the Village acknowledges and anticipates that the development of the commercial facility will increase the tax base of the Village; and

J. WHEREAS, the Project would not be developed, constructed or operated without the Village's (i) provision of tax increment financing; and (ii) provision of other incentives for such development construction and operation which are set forth in this Agreement; and

K. WHEREAS, the Village has agreed, in reliance on the Developer's commitment regarding development and construction and the operation of the Project by certain third parties, to: (i) reimburse the Developer for certain

Redevelopment Project Costs (as such term is defined in the Act”) incurred in connection with the establishment and administration of the Redevelopment Project Area and the development and construction of the Project; (ii) provide incentives to the Developer in an amount not to exceed the total cumulative annual amount as provided in the terms of this Agreement, payable hereof, from incremental real estate taxes generated by the Project, terms of and amounts not exceeding those set forth in this Agreement through the issuance of a Developer Note (the “Note; and

L. WHEREAS, the Developer has agreed, in reliance on the Village’s commitments set forth in this Agreement, to develop, construct, or lease the Project in accordance with this Agreement; and

M. WHEREAS, the Village has given all other notices and taken all other actions legally required for it to enter into this Agreement; and

N. WHEREAS, the Village is authorized to enter into this Agreement and take all actions contemplated by it pursuant to the authority provided to the Village a municipal corporation of the State of Illinois, the Act, the Corporate Authorities’ June 20, 2011 passage and approval of Ordinance No. 1012, entitled “An Ordinance Authorizing the Entry Of A Redevelopment Agreement Between The Village Of Steger, Cook County, Illinois and MedVoc Rehabilitation, LTD.

NOW, THEREFORE, in consideration of the mutual promises and covenants contained in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are mutually acknowledged, the Parties agree as follows:

ARTICLE I INCORPORATION OF RECITALS AND EXHIBITS

The statements, representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are incorporated into and made a part of this Agreement as though they were fully set forth in this Article I. The Parties acknowledge the accuracy and validity of such statements, representations, covenants and recitations. The exhibits referred to in this Agreement and attached to or incorporated into this Agreement by textual reference are incorporated by reference into and made a part of this Agreement as though they were fully set forth in this Article I. The Parties acknowledge the accuracy and validity of the exhibits to this Agreement.

ARTICLE II DEVELOPER COVENANTS

In consideration of the Village’s substantial commitment to the redevelopment of the Redevelopment Project Area and its commitments contained in this Agreement, the Developer agrees, represents, warrants and covenants with and to the Village as follows:

2.1 Acquisition and Preparation of Property. The Developer shall acquire or cause to be acquired the Property, and shall cause the demolition if applicable, clearance and preparation of the portion or portions of the Property upon which the Property is to be constructed.

Construction of Project. The Developer shall cause the Project to be developed in accordance with the Plan attached as Exhibit C.

2.3 Schedule. The Developer shall complete construction of the project and shall be fully operational and fully open for business within twenty-four (24) months.

2.4 Compliance with Laws; Permits.

A. Construction of the Project shall comply with all applicable laws, regulations, rules, ordinances and other legal requirements, the Plan and other plans and specifications approved by the Village, except as such plans and specifications may be amended or modified by this Agreement and the approved final development plan.

B. The Developer shall secure all permits and approvals necessary for the construction of the Project and comply with all applicable Village zoning ordinances and regulations, all building code regulations and all other applicable Village ordinances, resolutions and relations, except as they may be amended or modified by this Agreement.

2.5 Developer Information.

A. Within the first sixty (60) days following the end of each calendar year, the Developer shall complete a sworn TIF Allocation Information Return (a "TIF Return"), on a form provided by the Village, to assist the Village in administering the Redevelopment Project Area for the previous calendar year. The TIF Return will request a report on real estate taxes paid in connection with the Property and the Project, and such different or additional information as the Village may deem necessary to carry out the objectives of this Agreement, the Redevelopment Plan, the Redevelopment Project Area and the Act.

B. The Developer shall cooperate with the Village and provide the Village with any and all other reasonable information within the Developer's possession or control when that information is required by the Village: (i) for the administration of the Redevelopment Project Area and the Redevelopment Plan; (ii) in connection with its obligations under this Agreement; (iii) to determine the amount of Redevelopment Project Costs for which the Developer has not been reimbursed; (iv) in connection with its obligation under any statute, law, ordinance, resolution, rule, regulation or other legal requirement; (v) to evidence the Developer's compliance with any statute, law, ordinance, resolution, rule, regulation or other legal requirement; or (vi) to assure the Developer's obligations under this Agreement. The Developer shall provide such information to the Village within a reasonable time following the Village's request for such information. The Village agrees to keep all such information confidential unless required by law to disclose it.

2.6 Village Undertaking of Developer Obligations. In the event the Developer fails to perform any obligation required of the Developer pursuant to this Agreement or any statute, law, ordinance, resolution, rule, regulation or other legal requirement affecting or pertaining to the Property or the Project, the Village, upon giving thirty (30) days prior written notice to the Developer, shall have the option of performing such unfulfilled obligation.

ARTICLE III VILLAGE COVENANTS

This Article III, in its entirety shall be conditioned upon and subject to compliance with all applicable statutes, laws, ordinances, resolutions, rules, regulations and other legal requirements. In consideration of the Developer's substantial economic commitment to the redevelopment of the property, the Village hereby designates the Developer as the developer of the Project and agrees as follows:

3.1 Special Tax Increment Allocation Fund. The Village shall establish and continue to maintain a Special Tax Increment Allocation Fund (the "Special Tax Allocation Fund") and deposit into that Special Tax Allocation Fund, the incremental real property tax revenues generated within the Redevelopment Project Area from time to time and interest earned on the investment of such revenues from time to time.

3.2 Project Account.

A. The Village shall use the amounts deposited into the Project Account to pay or reimburse the Developer and the Village for Redevelopment Project Costs in accordance with terms described below.

B. The term Redevelopment Project Costs shall have the definition given such term in the Act and as further described on the attached Exhibit D.

C. Amounts from the Special Allocation Tax Fund not allocated as provided above shall be utilized by the Village, in its sole discretion for any purpose permitted under the Act, including but not limited to payments to the Developer, hereof. The Village may create such sub accounts within the Project Accounts as are necessary for the administrator of this Agreement.

ARTICLE IV PROCEDURE FOR PAYMENTS TO THE DEVELOPER OF REDEVELOPMENT PROJECT COSTS

4.1 Payments to Developer. Payments to reimburse the Developer for Redevelopment Project Costs pursuant to this Agreement, shall be made by a Requisition for Payment of Redevelopment Project Costs ("Requisition") submitted on an annual basis beginning in year December, 2012 and ending in year 2028 by the Developer to the Village, subject to the approval of the costs set forth on such Requisition by the Village or its designated agent or agents, and subject to the availability of funds in the Project Account.

4.2 Requisition Requirements. Each requisition must be accompanied by:

A. Verified bills or statements of suppliers, contractors or others which evidence the Developer incurred the Redevelopment Project Costs pursuant to this Agreement.

B. Evidence of the Developer's liability for such bills or statements;

C. Waivers of all liens which could be filed by such suppliers, contractors, or professionals for payment for the goods or services at issue in the Requisition; and

D. Such further and additional reasonable representations, warranties and information as the Village may deem appropriate.

4.3 Use of Reimbursements. The Developer shall use such payments only to the extent permitted by this Agreement, the Act and all other applicable laws.

4.4 Requisition Approval. The Village or its designated agent or agents shall approve or disapprove a Requisition by written notice to the Developer within ten (10) business days after the receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld, delayed or conditioned. If a Requisition is disapproved by the Village its designated agent or agents, the reasons for disallowance will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be required, and the same procedures set forth in this Agreement for approval of a Requisition shall apply to such resubmittals.

4.5 Requisition Payments. Payments pursuant to an approved Requisition shall be paid from the Project Account to the Developer or its designee within ten (10) business days after approval if funds are then currently available in the Project Account pursuant to the Developer Note. If funds are not currently available in the Project Account, such payment shall be made within ten (10) business days after funds become available in the Project Account.

4.6 Payments. Subject to the Developer's compliance with the requirements of this agreement, the Village shall provide 75% of all incremental revenues generated from improvements by MedVoc Rehabilitation, LTD each year from 2012 through 2028 for the reimbursement of Redevelopment Project Costs. The cumulative total amount shall not exceed \$70,000.

It is understood by the parties that upon the final payment to the Developer equaling the cumulative total amount of \$70,000 that the Village will cause the property tax increment then generated by the MedVoc Rehabilitation, LTD property to be diverted back to the 3960 Corporation in accordance with the Amended Redevelopment Agreement between the Village and the 3960 Corporation dated June 20, 2011.

ARTICLE V DEFAULTS

The occurrence of any one of the following shall constitute a default by the Developer under this Agreement:

A. Failure to comply with any term provision or condition of this Agreement within the times herein specified, and upon the expiration of the cure period provided herein below.

B. In the event a representation or warranty of the Developer contained herein is not true and correct for a period of thirty (30) days after written notice to the Developer by the Village.

C. Any money owed to the Village by the Developer is unpaid for more than ninety (90) days after becoming due.

Upon the occurrence of a default by the Developer as hereinabove set forth, and the continuation of such default beyond the applicable cure period as set forth herein, the Village shall be relieved of any and all of its obligations arising pursuant

to this Agreement and such obligations on the part of the Village shall be immediately cancelled and without any force or effect.

ARTICLE VII
MISCELLANEOUS

7.1 Term of Agreement. Except as provided otherwise in this Agreement, the term of this Agreement shall be from the date first written above through 2028.

7.2 Limited Liability of Village to Others For Developer's Expenses. Except as provided in this Agreement, the Village shall have no obligation to make any payments to any person other than the Developer, nor shall the Village be obligated to make direct payments to any other contractor, subcontractor, mechanic or material man providing services or materials to the Developer for the Project.

7.3 Cooperation of the Parties. The Village and the Developer agree to cooperate fully with each other when requested to do so concerning the development of the Project.

7.4 Time Performance. For this Agreement, time is of the essence.

7.5 Delay. Notwithstanding any provision of this Agreement, neither the Village nor the Developer shall be considered in breach or default of any of their respective obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, extreme weather conditions (e.g., flooding, sub-zero temperatures, tornadoes, etc.) or any other events of conditions beyond the reasonable control of the Party affected, if such event or condition in fact unreasonably interferes with the ability of such Party to discharge its respective obligations pursuant to this Agreement.

7.6 Notices. All notices, demands, requests, and other communications under this Agreement shall be in writing and shall be either personally delivered or mailed, by U.S. Postal Service registered or certified mail, return receipt requested, postage pre-paid, to the Parties at the following addresses:

THE DEVELOPER: MedVoc Rehabilitation, LTD
c/o Julie Bose
32 East 34th Street
Steger, IL 60475

WITH COPY TO:

VILLAGE: Village of Steger
35 West 34th Street
Steger, IL 60475

or at such other address or to such other party as the Parties may designate in writing delivered or mailed as described above.

7.7 Successors and Assigns. The agreements, undertakings, rights, benefits and privileges set forth in this Agreement shall be binding upon and inure to the benefit of the Parties and their respective successors, assigns and legal

representatives, including, without limitation, successor Corporate Authorities of the Village and successor owners of the Property, except as otherwise provided herein. Notwithstanding any provision of this Agreement, the obligations of the Developer pursuant to this Agreement shall be assignable only upon the Village's prior written consent. Approval cannot be unreasonably withheld.

7.8 Governing Law. The validity, meaning and effect of this Agreement shall be determined in accordance with the laws of the State of Illinois.

7.9 Severability. If any provision of this Agreement is held invalid or unenforceable by a court of competent jurisdiction, such provision shall be deemed to excised from this Agreement, the invalidity of such provision shall not affect any of the other provisions of this Agreement and those other provisions shall continue in full force and effect to the extent possible. Neither of the Parties shall challenge the validity or enforceability of this Agreement nor any provision of this Agreement, nor assert the validity or unenforceability of this Agreement or any provision of it.

7.10 Authority. By their signatures below, the persons executing this Agreement on the Village's behalf personally represent and warrant that they have been legally authorized to execute this Agreement on the Village's behalf and thereby bind the Village to it. By their signatures below, the persons executing this Agreement on the Developer's behalf personally represent and warrant that they have been legally authorized to execute this Agreement on the Developer's behalf and thereby bind the Developer to it.

7.11 Execution Of This Agreement. This Agreement shall be signed last by the Village and its Mayor shall affix the date on which he signs and approves this Agreement on the first page hereof, which date shall be the first date on which he is legally authorized to execute this Agreement on the Village's behalf and which date shall be the effective date of this Agreement.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, the Parties have executed this Agreement as of the date first above written, in Steger, Will County, Illinois.

VILLAGE: VILLAGE OF STEGER COOK/WILL COUNTY
ILLINOIS, an Illinois municipal corporation,

By:
Louis Sherman
Village President

Attest:
Carmen S. Recupito, Jr.
Village Clerk

MedVoc Rehabilitation, LTD
an Illinois corporation,

By:

Attest:

EXHIBIT A
TIF LEGAL DESCRIPTION

EXHIBIT B
MED VOC LEGAL DESCRIPTION

EXHIBIT C
SITE/DEVELOPMENT PLAN

EXHIBIT D
REDEVELOPMENT PROJECT COST

THAT THIS ORDINANCE shall be full force and effect upon its passage and approval and publication as made and provided by law.

PASSED this 20th day of June, 2011

Carmen S. Recupito, Jr., Village Clerk

APPROVED this 20th day of June, 2011

Louis Sherman, Village President

Roll Call Vote:

AYES: Banicki, Seehausen, Kozy, Lopez, Peterson, Perchinski and Sherman

NAYS: None

ABSENT: None

ABSTAINED: None