

ORDINANCE NO. 9596-62

AN ORDINANCE  
APPROVING AND AUTHORIZING THE EXECUTION  
OF A DEVELOPMENT AGREEMENT WITH SCHNUCK MARKETS, INC.

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA,  
ILLINOIS, as follows:

Section 1. That a Development Agreement with Schnuck Markets, Inc., By and Between the City of Urbana and Schnuck Markets, Inc., in the form of the copy of said Agreement attached hereto and hereby incorporated by reference, be and the same is hereby authorized and approved.

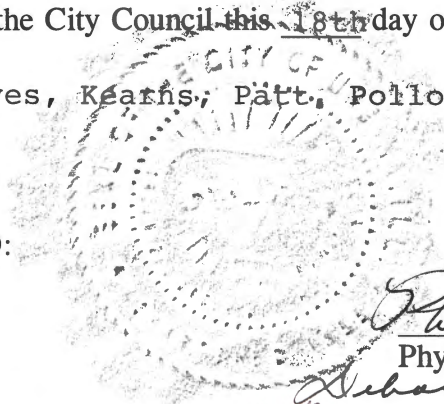
Section 2. That the Mayor of the City of Urbana, Illinois, be and the same is hereby authorized to execute and deliver and the City Clerk of the City of Urbana, Illinois, be and the same is hereby authorized to attest to said execution of said Agreement as so authorized and approved for and on behalf of the City of Urbana, Illinois.

PASSED by the City Council this ~~18<sup>th</sup>~~ day of December, 1995.

AYES: Hayes, Kearns, Patt, Pollock, Ryan, Taylor, Whelan

NAYS:

ABSTAINED:

  
*Phyllis D. Clark* by  
Phyllis D. Clark, City Clerk

*Deborah J. Roberts*, Deputy Clerk

APPROVED by the Mayor this 28<sup>th</sup> day of December, 1995.

*Tod Satterthwaite*  
\_\_\_\_\_  
Tod Satterthwaite, Mayor

Rec'd 2/26/96

**REDEVELOPMENT AGREEMENT**

by and between the

**CITY OF URBANA**  
**Champaign County, Illinois**

and

**SCHNUCK MARKETS, INC.**  
**a Missouri Corporation**

Dated FEBRUARY 20, 1996

Prepared by:  
City of Urbana, Illinois

<b>ARTICLE I</b>	<b>Definitions</b>
<b>ARTICLE II</b>	<b>Representations and Warranties</b>
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<b>ARTICLE VI</b>	<b>Miscellaneous</b>

#### **LIST OF EXHIBITS**

- A-1. Ordinance Adopting Redevelopment Plan, Redevelopment Project and Redevelopment Project Area.**
- A-2. Ordinance Establishing Schnuck Markets, Inc. as Developer.**
- B. Site Plan**
- C. Legal Description of City Property**
- D. City Improvements**
- E. Elevation/Renderings**
- F. Signage Requirements**
- G. Landscaping Plan**
- H. Promissory Note**

## **REDEVELOPMENT AGREEMENT**

This REDEVELOPMENT AGREEMENT (including any attachments and exhibits, collectively, the "Agreement"), dated as of the \_\_\_\_\_ day of \_\_\_\_\_, 1995, by and between the City of Urbana, an Illinois home-rule municipality, in Champaign County, Illinois (the "City"), and Schnuck Markets, Inc., a Missouri Corporation (the "Developer").

### **RECITALS:**

WHEREAS, in accordance with and pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et. seq.) as supplemented and amended (the "TIF Act") and by the power and authority vested unto the City as a home rule unit under Section 6 of Article VII of the Constitution of the State of Illinois, the City has designated that area of real property bounded on the north by the Penn Central Right of Way, the south by Main Street, the west by Vine Street and the east by Maple Street as a "conservation area" within the meaning of the TIF Act (said area being hereinafter referred to as the "Maple & Vine Redevelopment Project Area", or "Redevelopment Project Area"); and

WHEREAS, the City Council of the City (the "Corporate Authorities"): (i) on DECEMBER 15, 1986, adopted Ordinance No. 8687-45 entitled "An Ordinance Approving a Redevelopment Plan and Redevelopment Project; Designating a Redevelopment Project Area; and Adopting Tax Increment Allocation Finance", which ordinance has established the Redevelopment Project Area, Redevelopment Plan and Redevelopment Project, and which ordinance has been duly filed with the County Clerk of Champaign County, Illinois, a copy of which is attached hereto as Exhibit "A-1"; and

WHEREAS, a "Request for Proposals and Notice" was published pursuant to the requirements of the TIF Act, and in connection therewith, Developer's proposal with respect to "Schnucks Urbana Crossing", as generally depicted on the "Site Plan" attached hereto as Exhibit B, and incorporated herein by this reference, was selected by the City as the Redevelopment Plan and Project within the Redevelopment Project Area; and

WHEREAS, the City has on October 2, 1995 legally complied with and completed all notice and publication requirements and designated per City ordinance Schnuck Markets, Inc. as "Developer", which ordinance is attached hereto as Exhibit "A-2".

WHEREAS, as contemplated by the Redevelopment Plan and the Redevelopment Project, the Developer proposes to develop or cause to be developed within the Redevelopment Project Area, as "Schnucks Urbana Crossing", a first class retail shopping center comprised in part of approximately a 61,000 square foot anchor building (the "Grocery Building"), approximately 21,000 square feet of additional retail space (the "Retail Space"), and two (2) outlot parcels (the



“Outlots”), together with related infrastructure, improvements and betterments thereto (collectively the "Private Development"); and

WHEREAS, acting through its planning staff, the City's Department of Community Development Services has reviewed and studied the conditions in the Redevelopment Project Area with a view toward analyzing those area conditions that exist or reasonably could be expected to exist that are deleterious to the development, operation and maintenance of the Redevelopment Project Area and which constitute such Redevelopment Project Area as a "conservation area" under the Act; and

WHEREAS, the Private Development is not financially feasible, and the Developer is unwilling to undertake the Private Development, without certain guarantees and warranties, including, but not limited to, tax increment finance ("TIF") incentives from the City, which the City is willing to provide, and the City has determined that it is desirable and in the City's best interests to assist the Developer in the manner set forth herein, as this Agreement may be supplemented and amended; and

WHEREAS, as a pre-requisite to Developer constructing and developing the Private Development, certain blight removal and infrastructure construction and support are required to be offered by the City; and

WHEREAS, the Developer will incur certain substantial Redevelopment Project Costs in connection with the Private Development.

WHEREAS, the Developer is the owner of record or has binding contractual rights to acquire the real property within the Redevelopment Project Area (other than that certain real property therein, such as rights of way owned by the City which the City has agreed to convey to Developer as more fully set forth herein).

## REDEVELOPMENT AGREEMENT

NOW, THEREFORE, for and in consideration of the mutual covenants and agreements contained herein, and the Recitals set forth above, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the City and the Developer hereby agree as follows:

### ARTICLE I

#### DEFINITIONS

Section 1.1 **Definitions.** For purposes of this Agreement, unless the context clearly requires otherwise, words and terms used in this Agreement shall have the meaning provided from place to place herein, including as follows:

"City" means the City of Urbana, Champaign County, Illinois.

"Corporate Authorities" means the City Council of the City of Urbana, Illinois.

"Developer" shall mean Schnuck Markets, Inc., a Missouri corporation.

"E.A.V." means equalized assessed valuation as determined and authorized by the Champaign County Supervisor of Assessments in accordance with the procedures set forth in Sections 200/9-80, 200/16-65 and 200/17-5 of Chapter 35 of the Illinois Compiled Statutes as supplemented and amended.

"Enterprise Zone" shall mean "Enterprise Zone" as defined pursuant to the Illinois Enterprise Zone Act, 20 ILCS 655/1. et. seq.

"Fund" means the "Special Tax Allocation Fund for Maple & Vine Redevelopment Project Area" as established per the TIF Act and the Ordinance.

"Private Development" shall be as defined in the Recitals set forth hereinabove.

"Property Tax Appeal" means any appeal to the Champaign County Board of Review under the procedures set forth in Section 200/1-3 et. seq. of Chapter 35 of the Illinois Compiled Statutes, as supplemented and amended, or any appeal to the Cunningham Township Assessor.

"Redevelopment Project Costs" shall mean all costs and expenses incurred, directly or indirectly, by Developer in connection with the Private Development, and being within the definition of "redevelopment project costs" as set forth in 65 ILCS 5/11-74.4-3.

"TIF Act" shall mean the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11 - 74.4-1 et. seq.).

## **ARTICLE II**

### **REPRESENTATIONS AND WARRANTIES**

Section 2.1. Representations and Warranties of the City. In order to induce the Developer to enter into this Agreement, the City hereby makes certain representations and warranties to the Developer, as follows:

Section 2.1.1 Organization and Standing. The City is a home rule municipality duly organized, validly existing and in good standing under the Constitution and laws of the State of Illinois.



Section 2.1.2. **Power and Authority.** The City has full power and authority to execute and deliver this Agreement and to perform all of its agreements, obligations and undertakings hereunder.

Section 2.1.3 **Authorization and Enforceability.** The execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary action on the part of the City's Corporate Authorities. This Agreement is a legal, valid and binding obligation of the City.

Section 2.1.4. **No Violation.** Neither the execution nor the delivery of this Agreement or the performance of the City's agreements, obligations and undertakings hereunder will conflict with, violate or result in a breach of any of the terms, conditions, or provisions of any agreement, rule, regulation, statute, ordinance, judgment, decree, or other law by which the City may be bound.

Section 2.1.5 **Governmental Consents and Approvals.** No consent or approval by any governmental authority is required (or if so required such consent or approval has been fully and unconditionally obtained) in connection with the execution and delivery by the City of this Agreement and the performance by the City of its obligations hereunder; except, however as to miscellaneous consents which do not materially interfere with the City Improvements and Private Development (i.e. sewer permits).

Section 2.1.6 **City Property.** The City of Urbana maintains ownership interests in all that certain real property (including rights of way) within the Redevelopment Project Area as more fully depicted on Exhibit "C " attached hereto and incorporated herein by this reference (the "City Property").

Section 2.1.7 **No Violation.** Neither the execution nor the delivery or performance of this Agreement will conflict with, violate or result in a breach of any of the terms, conditions, or provisions of, or constitute a default under or (with or without the giving of notice or the passage of time or both) entitle any party to terminate or declare, a default under any contract, agreement, lease, license or instrument or any rule, regulation, statute, ordinance, judicial decision, judgment, decree or other law to which the City is a party or by which the City or any of its assets may be bound.

Section 2.1.8 **No Proceedings or Judgments.** There is no claim, action or proceeding now pending or to the best of its knowledge, threatened before any court, administrative or regulatory body, or governmental agency (a) to which the City is a party and (b) which will, or could, prevent the City's performance of its obligations under this Agreement.

Section 2.1.9 **Enterprise Zone.** The Redevelopment Project Area is and will continue to be throughout the term of this Agreement, located within the Enterprise Zone such that the Private Development is entitled to all permitted tax incentives available to TIF projects and other rights and benefits afforded to areas and projects so located within an Enterprise Zone.

Section 2.2 Representations and Warranties of the Developer. In order to induce the City to enter into this Agreement, the Developer makes the following representations and warranties to the City:

Section 2.2.1 Organization. The Developer is a corporation duly organized, validly existing and in good standing under the laws of the State of Missouri, and is duly qualified to transact business in the State of Illinois.

Section 2.2.2 Power and Authority. The Developer has full power and authority to execute and deliver this Agreement and to perform all of its agreements, obligations and undertakings.

Section 2.2.3 Authorization and Enforceability. The execution, delivery and performance of this Agreement have been duly and validly authorized by all necessary corporate action on the part of the Developer. This Agreement is a legal, valid and binding obligation of the Developer.

Section 2.2.4 No Violation. Neither the execution nor the delivery or performance of this Agreement will conflict with, violate or result in a breach of any of the terms, conditions, or provisions of, or constitute a default under or (with or without the giving of notice or the passage of time or both) entitle any party to terminate or declare, a default under any contract, agreement, lease, license or instrument or any rule, regulation, statute, ordinance, judicial decision, judgment, decree or other law to which the Developer is a party or by which the Developer or any of its assets may be bound.

Section 2.2.5 Consents. No consent or approval by any governmental authority or other person is required in connection with the execution and delivery by the Developer of this Agreement or the performance thereof by the Developer.

Section 2.2.6 No Proceedings or Judgments. There is no claim, action or proceeding now pending or to the best of its knowledge, threatened before any court, administrative or regulatory body, or governmental agency (a) to which the Developer is a party and (b) which will, or could, prevent the Developer's performance of its obligations under this Agreement.

Section 2.3 Disclaimer of Warranties. The City and the Developer acknowledge that neither has made any warranties to the other, except as set forth in this Agreement.

### **ARTICLE III**

#### **CITY'S COVENANTS AND AGREEMENTS**

Section 3.1 Off-Site Improvements by City; Developer Approval; Time of Completion. In connection with the construction and operation of the Private Development, and as a condition to any obligations of Developer with respect thereto, the City agrees to engineer, design,



construct, provide and maintain in a good, workmanlike and timely manner, and at its sole cost and expense, various "off-site" improvements relating directly or indirectly thereto (herein collectively "City Improvements"). Such City Improvements are as more fully set forth, designated or referenced on Exhibit D hereto, and shall include but not be limited to: various roadway improvements to adjacent public streets including widening of such roadways, installation of turn lanes, curb cuts, access ways and aprons to and from the Private Development over applicable rights of way; and construction of perimeter sidewalks adjacent to various streets. The parties recognize that the City Improvements, specifically including but not limited to the installation of curb cuts and access aprons (and related improvements) adjoining access ways within the Private Development over rights of way, must be coordinated with Developer in order to cause the Private Development and City Improvements to be compatible. As such, prior to commencing construction of any City Improvements, City agrees to submit to Developer for review and approval, not to be unreasonably withheld or delayed, all necessary plans and specifications with respect thereto. The City shall be obligated to commence construction of the City Improvements immediately following commencement by Developer of construction of the foundation of the Grocery Building, and delivery of evidence to the City of a binding executed construction contract with respect to the Grocery Building, and the City shall use its best efforts to cause all City Improvements to be fully constructed and complete on or before December 31, 1996. Notwithstanding the foregoing, in any and all events, all City Improvements shall be fully constructed and complete upon the opening by Developer of the Grocery Building. None of the costs of such City Improvements shall apply as a charge or deduction against the "Developer Costs" (as defined hereinbelow) for which Developer is to be reimbursed as more fully set forth herein.

Section 3.2 Conveyance of City Property, Vacation of Roadways, Miscellaneous Property Interests. In addition to the real property within the Redevelopment Project Area for which Developer has binding contractual rights to acquire, the City Property is located therein. Additionally, various streets and access ways currently exist within the Redevelopment Project Area, and third parties may currently maintain real property interests (including leaseholds) within the Redevelopment Project Area. As such, at any time following the acquisition of any real property within the Redevelopment Project Area by Developer, upon written notice from Developer to the City, the City shall convey and transfer the City Property (to the extent of the ownership interest of the City) to the Developer for One Dollar (the parties acknowledging various obligations and responsibilities herein constitute additional valuable consideration). With respect to causing the vacation and/or conveyance of all streets and access ways, and the termination or conveyance to Developer of all property interests of any third parties within the Redevelopment Project Area, the City will proceed as soon as possible following execution hereof to complete such vacations and termination or conveyance of such third party interests, such that Developer shall obtain ownership of all property interests relating thereto following Developers acquisition of any other real property within the Redevelopment Project Area. The legal description, and additional documentation and material, shall be provided by the City as is customary to accommodate issuance of binding unconditional title insurance insuring fee simple ownership in and to Developer. In connection with the acquisition and/or vacation of all real



property interests within the Redevelopment Project Area, and notwithstanding the current existence of valid binding contractual rights of the Developer to acquire same, in the event Developer is unable to acquire such property interests such that timely completion of the Private Development is potentially hindered, the City agrees to cooperate with Developer as is reasonably necessary to acquire such property interests, including if necessary acquiring such property interests by use of eminent domain and condemnation to expedite such acquisition.

**Section 3.3 Cooperation by City to Complete Private Development.** To accommodate timely and efficient completion of the Private Development substantially accordance with but not limited to the Site Plan, and the Elevation/Renderings and Signage Requirements (which includes two (2) separate monument or pylon signs, as designated by Developer, identifying the Shopping Center and a limited number of tenants) as attached hereto as Exhibits E and F, respectively, and incorporated herein by this reference, the City hereby acknowledges and accepts the material or information as set forth upon such Site Plan, Elevation/Renderings and Signage Requirements with respect thereto, and agrees to fully cooperate in good faith with Developer in complying with and obtaining as quickly as possible all necessary governmental and quasi-governmental requirements, approvals, permits and certificates. Furthermore, Developer specifically agrees that with respect to Outlots, no separate direct curb cuts to the adjoining public streets, other than over and through the proposed and finally provided to the Redevelopment Project, as a whole, shall be required. Notwithstanding the foregoing, the parties agree that the material and information designated on Exhibits E and F are preliminary, and are subject to modification by Developer, subject to reasonable approval of the City engineer. Specifically, the City and the Corporate Authorities agree to provide zoning of the Redevelopment Project Area sufficient to allow for Developer's proposed use thereof, to accelerate needed commission or board meetings and issuance of any permit or approvals to the extent reasonably possible, and to cooperate to expedite such matters with any other necessary governmental or quasi-governmental agencies or authorities. Furthermore, the City, having undertaken a preliminary assessment of the traffic and traffic circulation matters which would be affected by the vacation of Urbana Avenue and Water Street, and all alleys within the Redevelopment Project Area right-of-way, and having undertaken a preliminary study of what utilities would have to be relocated and having undertaken a preliminary study of whether the vacation of said right-of-ways would interfere with the rights of any abutting owners or others to rights of access, has tentatively concluded that the vacation of Urbana Avenue and Water Street, and alley right-of-ways may indeed be feasible and the City therefore agrees to establish a date for a public hearing on the question of vacation of said right-of-ways as called for in Urbana ordinances and following such public hearing, unless good reasons are advanced, shall vacate said right-of-ways without cost or charge to the abutting property owners and convey same to abutting property owners, which said vacation shall be effective upon Schnuck's acquiring 100% of the abutting properties and upon the City Council conducting a public hearing on said vacation. The parties recognize that the foregoing vacation and conveyances are a conditioned precedent to any and all obligations of Developer herein, and the City shall use its best efforts to expedite and complete same. The City further agrees that throughout the term of this Agreement, the City shall be solely responsible for and shall properly cause all filings, reportings, record keeping, notices and administrative and other action to be



performed as necessary to cause the Private Development to continuously remain subject to and qualified under the TIF Act.

**Section 3.4 City's Reimbursement Obligation.** (a) Subject to the following provisions of this Section 3.4, and specifically Section 3.4(b) below, and specifically to no other conditions or limitations except as to the cost limitations as specifically set forth in Article V hereinbelow, the City absolutely and unconditionally agrees to reimburse the Developer for all "Redevelopment Project Costs" incurred by Developer and falling within the definition thereof as set forth in the TIF Act (herein "Developer Costs"). Anything herein to the contrary notwithstanding, in the event that there are not sufficient revenues within the Fund to make a timely payment pursuant to Article V hereof, such amounts shall nonetheless continue to be binding obligations of the City, payment of which shall be enforceable by Developer, and, to the extent necessary, shall be paid from any other monies of the City legally available for such purpose. The obligation of the City to reimburse the Developer as set forth in this Section 3.4 and Article V hereof shall commence upon execution of this Agreement, subject to the defined schedule and requests of the parties herein, and shall terminate after all such reimbursement occurs.

(b) In the event that the Grocery Building, Retail Space and Outlots are not fully developed and constructed for retail, office or other business use on or before June 30, 1999, then and in such event the parties agree that from and after such time (June 30, 1999) and until the Grocery Building, Retail Space and Outlots are fully developed, provided annual gross sales from the Redevelopment Project Area, in its entirety, exceed \$10 Million Dollars, the City shall nonetheless continue to remain fully responsible for and shall pay as scheduled all Developer Costs as per the schedules set forth herein. To the extent such gross sales are less than \$10 Million Dollars for any given calendar year, all real estate and other tax increments, if any, (other than sales tax), and one-half (1/2) of all state and local sales tax collected by the City for each calendar year, authorized for inclusion as per the TIF Act and attributable to the Redevelopment Project Area, shall be the only source of revenue from which the City shall be obligated and required to pay the Developer Costs, and the City shall so use such revenue to pay all then scheduled and unpaid Developer Costs as set forth in Article V hereof.

## **ARTICLE IV**

### **DEVELOPER'S COVENANTS**

**Section 4.1 Agreement to Construct Improvements.** The Developer agrees to commence and complete in a good, workmanlike manner and timely fashion construction of the Private Development. Such construction shall include but not be limited to design and construction of the following: storm water improvements and extensions including but not limited to the construction of an eighty-four (84) inch storm sewer line, installation of sanitary sewer improvements and relocations including but not limited to the construction of an 18 inch sanitary sewer, removal and backfilling of abandoned sewers, extension of water mains including but not limited to an 8 inch "fire loop" and fire hydrants, relocation of electric transmission lines, gas



mains and other utility work, and grading and filling including retaining walls as well as the overall construction and installation of the parking facilities and areas, related improvements and buildings. The City agrees that Developer shall not be required to provide a detention basin sufficient to accommodate the Private Development in that such storm water run-off associated with the Private Development shall be accommodated as per an existing thirty (30) inch storm sewer line or 84 inch storm sewer line, and Developer in connection therewith shall further not be required to provide or install any underground detention or retention system. The foregoing shall also include but not be limited to installation of landscaping substantially in accordance with the Landscaping Plan attached hereto as Exhibit G and incorporated herein by this reference. The parties agree that the Landscaping Plan is preliminary and subject to modification by Developer subject to reasonable approval of the City engineer. Developer specifically agrees to use reasonable and good faith efforts to acquire, raze, clear and grade the Redevelopment Project Area on or before September 1, 1996, and agrees to use reasonable and good faith efforts to substantially complete construction of the Grocery Building and Retail Space consisting of approximately 80,000 square feet, parking lots and related improvements thereupon on or before June 1, 1997. The Developer further agrees to install ten (10) ornamental street lights and poles at the cost of \$2000 per light and pole.

**Section 4.2. Retail Tenants, Development of Outlots.** Developer agrees to use reasonable efforts to focus primarily on obtaining retail tenants for the Private Development not otherwise operating in the City of Urbana, Illinois and specifically, with respect to the Outlots, Developer shall obtain occupants which are not exempt from real estate tax liability.

**Section 4.3 Property Tax Appeal.** The Developer agrees, as long as this Agreement is in effect, not to lodge any property tax appeal, protest, dispute or otherwise take any action, including, but not limited to, participating in or funding in whole or in part any tax appeal, protest, or dispute, which would have the direct or indirect effect of reducing, for any given year, the E.A.V. of the Private Development (excluding outlots) to a level below the E.A.V. of One Million Six Hundred Thousand Dollars (\$1,600,000) for the tax year 1999, subject to an annual non-compounded increase of three per cent (3%) for each year thereafter through and until Developer has been reimbursed all Developer Costs as provided herein.

## **ARTICLE V**

### **PAYMENT FOR ELIGIBLE PROJECT COSTS**

**Section 5.1 Payment Procedures.** The City and the Developer agree that Developer shall be reimbursed for the Developer Costs in the amounts and times set forth below.

**Payment Amount Due**

**Due Date**

\$300,000.00

Contemporaneously with issuance of the Certificate of Occupancy by the City with respect to the Grocery Building

\$400,000.00

Six (6) months following issuance of the Certificate of Occupancy as set forth above.

\$1,300,00.00

Commencing on the due date of the second and final real estate tax payment for the calendar year for which the Grocery Building and Retail Space consisting of at least 80,000 square feet is first assessed as a completed retail development, being payable in equal semi-annual installments on June 30 and December 31 of each calendar year. Payment amounts shall be based upon the amount of One Million Three Hundred Thousand Dollars (\$1,300,000) subject to increase for all accumulated interest which shall accrue at the rate of 8.5% per annum, compounded semiannually commencing upon issuance of the "Certificate of Occupancy" for the Grocery Building. Such payments shall be amortized over fourteen (14) years based on an interest rate of eight and one half percent (8.5%) per annum. On or before commencement of the earlier of the first payment obligation, or the first actual payment if any pre-payment occurs, the City shall execute and deliver unto Developer a promissory note in the form attached hereto as "Exhibit H" and incorporated herein by this reference to additionally evidence such obligations (the "Promissory Note"). If not sooner paid, all remaining amounts of said \$1.3 Million Dollars together with any accumulated interest therein shall be immediately due and payable in full upon the last day of the term of the promissory note. (Notwithstanding the foregoing, in the event Developer determines that a portion of Developer Costs reflect public improvements or otherwise are qualified such that interest

earned by Developer with respect to repayment thereof by the City is tax exempt, the parties agree to reasonably cooperate in causing such interest rate to be equitably reduced to address such tax exempt status.) Any payment obligations as to Developer costs may be pre-paid, provided all such payments shall first be applied to accrued and unpaid interest. The City hereby designates the City's Chief Administrative Officer, or the designee thereof, (the "CAO") as its representative to coordinate the authorization of disbursement of such amounts as may be due to the Developer from the City as Redevelopment Project Costs. Payment to the Developer with respect to the initial \$300,000 amount as set forth above shall be made upon request therefore submitted by the Developer on or after issuance of the Grocery Building certificate of occupancy. Such requisition shall be accompanied by delivery by Developer of a "paid" real estate tax bill for the most immediate tax year for which tax bills have been billed and are then due, and a statement from Developer confirming that the total amount of Developer Costs have exceeded the sum of Two Million Dollars (\$2,000,000). Payment by the City shall be made no later than thirty days thereafter. All future payment requirements of the City shall be made without further demand or request of Developer as and when due as set forth above.

## **ARTICLE VI**

### **DEFAULTS AND REMEDIES**

Section 6.1 **Defaults - Rights to Cure**. Failure or delay by either Party to timely perform any term or provision of this Agreement shall constitute a default under this Agreement. The Party who so fails or delays must, upon receipt of written notice of the existence of such default, immediately commence to cure, correct or remedy such default and thereafter proceed with



diligence to cure such default. The Party claiming such default shall give written notice of the alleged default to the other Party. Except as required to protect against immediate, irreparable harm, the Party asserting a default may not institute proceedings against the other Party until thirty (30) days after having given such notice. If such default is cured within such thirty (30) day period, the default shall not be deemed to constitute a breach of this Agreement. If the default is one which can not reasonably be cured within such thirty (30) day period, such thirty (30) day period shall be extended for such time as is reasonably necessary for the curing of such default, so long as there is diligent proceeding to cure such default. If such default is cured within such extended period, the default shall not be deemed to constitute a breach of this Agreement. However, a default not cured as provided above shall constitute a breach of this Agreement. Except as otherwise expressly provided in this Agreement, any failure or delay by either Party in asserting any of its rights or remedies as to any default or alleged default or breach shall not operate as a waiver of any such default or breach of any rights or remedies it may have as a result of such default or breach.

Section 6.2 **Remedies.** In the event of a default by either Party under any of the terms and provisions of this Agreement, the other party shall be entitled to institute legal action against such party and pursue and be entitled to, for any remedies at law or equity. Notwithstanding the foregoing, in the event Developer defaults in failing to commence or complete the construction of the Private Development, then and in such event, the sole and absolute remedy of the City shall be to re-acquire ownership of the City Property, and to terminate this Development Agreement and Developer's rights hereunder upon expiration of all available cure opportunities. Any payment obligation not paid when due shall accrue interest at the rate of the lesser of twelve percent (12%) or the maximum rate permitted by law.

## ARTICLE VII

### **MISCELLANEOUS PROVISIONS**

Section 7.1 **Entire Contract and Amendments.** This Agreement (together with the Exhibits "A" to "H" inclusive, attached hereto) is the entire contract between the City and the Developer relating to the subject matter hereof, supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the City and the Developer, and may not be modified or amended except by a written instrument executed by both of the Parties.

Section 7.2 **Third Parties.** Except as otherwise provided herein, nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other persons other than the City and the Developer and their respective successors and assigns, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to either the City or the Developer, nor shall any provision give any third parties any rights of subrogation or action over or against either the City or the Developer. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.



**Section 7.3 Counterparts.** Any number of counterparts of this Agreement may be executed and delivered and each shall be considered an original and together they shall constitute one agreement.

**Section 7.4 Legally Valid and Binding.** This Agreement shall constitute a legally valid and binding obligation of the City and Developer according to the terms hereof.

**Section 7.5 Time and Force Majeure.** Time is of the essence of this Agreement; provided, however, neither the Developer nor the City shall be deemed in default with respect to any performance obligations under this Agreement (other than the payment of money) on their respective parts to be performed if any such failure to timely perform is due in whole or in part to the following (which also constitute "unavoidable delays"): any strike, lock-out or other labor disturbances (whether legal or illegal, with respect to which the Developer the City and others shall have no obligations hereunder to settle other than in their sole discretion and business judgment), civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruption of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God or third parties, or any other cause beyond the reasonable control of the Developer or the City, or for any other reasons not within the Developer's or the City's control.

**Section 7.6 Waiver.** Any Party to this Agreement may elect to waive any right or remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless such waiver is in writing. No such waiver shall obligate the waiver of any other right or remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided pursuant to this Agreement.

**Section 7.7 Cooperation and Further Assurances.** The City and the Developer each covenant and agree that each will do, execute, acknowledge and deliver or cause to be done, executed and delivered, such agreements, instruments and documents supplemental hereto and such further acts, instruments, pledges and transfers as may be reasonably required for the better assuring, pledging, assigning and confirming unto the City and the Developer all and singular the rights, property and revenues covenanted, agreed, conveyed, assigned, transferred and pledged under this Agreement.

**Section 7.8 Severability.** If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of such section, subsection, term or provision of this Agreement or the application of same to Parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

**Section 7.9 Notices.** All notices, demands, requests, consents, approvals or other communications or instruments required or otherwise given under this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally or by telecommunication actually received, or on the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid, addressed as follows (unless another address is provided in writing):

To the Developer:

Schnuck Markets, Inc.  
11420 Lackland Road  
P.O. Box 46928  
St. Louis, MO 63146-6928  
Attention: David G. Fontana

With a copy to:

Greensfelder, Hemker & Gale, P.C.  
10 S. Broadway, Suite 2000  
St. Louis, MO 63102  
Attention: Scott A. Sachtleben

To the City:

City of Urbana, Illinois  
400 South Vine Street  
Urbana, IL 61801  
Attention: Chief Administrative Officer  
Tel: (217) 384-2454  
Fax: (217) 384-2426

With a copy to:

Legal Division  
400 South Vine Street  
Urbana, IL 61801  
Tel: (217) 384-2464  
Fax: (217) 384-2363

Section 7.10 Successors in Interest. This Agreement shall be binding upon and inure to the benefit of the Parties hereto and their respective successors and assigns.

Section 7.11 No Joint Venture, Agency or Partnership Created. Nothing in this Agreement nor any actions of the Parties to this Agreement shall be construed by the parties hereto or any third person to create the relationship of a partnership, agency, or joint venture between or among such Parties.

Section 7.12 Illinois Law. This Agreement shall be construed and interpreted under the laws of the State of Illinois.

Section 7.13 Costs and Expenses. If either Party defaults in the performance of its obligations hereunder, the Parties agree that the defaulting Party shall pay the non-defaulting Party's costs of enforcing the defaulting Party's obligations under this Agreement, including but not limited to, attorneys' fees and expenses.



**Section 7.14 No Personal Liability of Officials of City or Developer.** No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, officer, agent, employee or attorney of the City or Developer, in his or her individual capacity, and neither the members of the Corporate Authorities nor any official of the City or Developer shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of the execution, delivery and performance of this Agreement.

**Section 7.15 Repealer.** To the extent that any ordinance, resolution, rule, order or provision of the City's Code of ordinances or any part thereof is in conflict with the provisions of this Agreement, the provisions of this Agreement shall be controlling.

**Section 7.16 Term.** This Agreement shall remain in full force and effect from and after the date hereof through and until December 31, 20\_\_\_, but in no event shall this Agreement terminate prior to satisfaction of all obligations of the parties hereto including all payment obligations.

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed by their duly authorized officers as of the date set forth above.

CITY OF URBANA, ILLINOIS

(SEAL)

By: Tal Settelhove  
Mayor

ATTEST:

Phyllis D. Clark  
City Clerk

SCHNUCK MARKETS, INC.

(SEAL)

By: Craig D. Silvers

ATTEST:

Craig D. Silvers  
Secretary

Its: CHAIRMAN OF THE BOARD & CEO

[Exhibits A to H, inclusive follow this page and are integral parts of this Agreement in the context of use.]



EXHIBIT A1

City of Urbana  
400 South Vine Street  
Post Office Box 219  
Urbana, Illinois 61801-0219  
(217) 384-2362  
FAX (217) 384-2363

### CLERK'S CERTIFICATE

STATE OF ILLINOIS     )  
                                  )   SS  
COUNTY OF CHAMPAIGN )

I, PHYLLIS D. CLARK, City Clerk of the City of Urbana, Illinois, and keeper of the records, files and seal of said City, do hereby certify that the foregoing is a true and exact copy of an ordinance entitled, "AN ORDINANCE APPROVING A REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECT; DESIGNATING A REDEVELOPMENT PROJECT AREA; ADOPTING TAX INCREMENT ALLOCATION FINANCING; AND AUTHORIZING THE ILLINOIS DEPARTMENT OF REVENUE TO ANNUALLY CERTIFY AND CAUSE TO BE PAID TO THE CITY OF URBANA, ILLINOIS AN AMOUNT EQUAL TO THE INCREASE IN THE AGGREGATE AMOUNT OF STATE SALES TAXES PAID BY RETAILERS AND SERVICEMEN ON TRANSACTIONS AT PLACES OF BUSINESS LOCATED WITHIN THE REDEVELOPMENT PROJECT AREA" [Ord. No. 8687-45]

approved by the City Council of the City of Urbana, Illinois, on the 15th day of December, A.D., 1986, as it appears in the records and files in my office remaining.

Given under my hand and seal of said City of Urbana, Illinois, this 15th day of December, A.D., 1995.

*Phyllis D. Clark* by  
Phyllis D. Clark, City Clerk  
*Deborah J. Robert, Deputy Clerk*

(SEAL)



ORDINANCE NO. 8687-45

AN ORDINANCE

APPROVING A REDEVELOPMENT PLAN AND REDEVELOPMENT PROJECT; DESIGNATING A REDEVELOPMENT PROJECT AREA; ADOPTING TAX INCREMENT ALLOCATION FINANCING; AND AUTHORIZING THE ILLINOIS DEPARTMENT OF REVENUE TO ANNUALLY CERTIFY AND CAUSE TO BE PAID TO THE CITY OF URBANA, ILLINOIS AN AMOUNT EQUAL TO THE INCREASE IN THE AGGREGATE AMOUNT OF STATE SALES TAXES PAID BY RETAILERS AND SERVICEMEN ON TRANSACTIONS AT PLACES OF BUSINESS LOCATED WITHIN THE REDEVELOPMENT PROJECT AREA

WHEREAS, the City of Urbana, Champaign County, Illinois (the "City") desires to adopt tax increment allocation financing pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, as amended and supplemented from time to time, (Ill.Rev.Stats. ch. 24, §§11-74.4-1 et. seq.), (the "Act"); and

WHEREAS, pursuant to §11-74.4-5 of the Act, the City held a public hearing relative to the approval of a proposed Redevelopment Plan and Redevelopment Project and the designation of a proposed Redevelopment Project Area, such public hearing being duly held at 3:00 p.m. on October 15, 1986, at the City Council Chambers, City Building, 400 South Vine Street, Urbana, Illinois; and

WHEREAS, due notice in respect to said public hearing was given by the City in accordance with §§ 11-74.4-5 and 11-74.4-6 of the Act, said notice being given: by certified mail to taxing districts having property in the proposed Redevelopment Project Area and to the Illinois Department of Commerce and Community Affairs on September 11, 1986, a date not less than thirty (30) days prior to such date set for said public hearing; by publication in the Champaign-Urbana News-Gazette, a newspaper of general circulation within such taxing districts, on October 1 and October 8, 1986, respectively, such first publication being not more than thirty (30) nor less than ten (10) days prior to such date set for said public hearing; by certified mail to the person or persons in whose name the general taxes for the last preceding year were paid on each lot, block, tract or parcel of land lying within the proposed Redevelopment Project Area on September 24, 1986, a date not less than ten (10) days prior to such date set for said public hearing; and by certified mail to corporations owning railroad rights-of-way within the proposed Redevelopment Project Area on October 3, 1986, a date not less than ten (10) days prior to such date set for said public hearing; and

WHEREAS, the proposed Redevelopment Plan sets forth the factors constituting the proposed Redevelopment Project Area as a "Conservation Area" within the meaning of the Act. The



City Council has fully reviewed such factors in connection with such other information concerning the same as was presented at the public hearing, and has further reviewed other studies and is generally informed of the conditions in the proposed Redevelopment Project Area; and

WHEREAS, the City Council has reviewed the conditions pertaining to investment by private enterprise in the proposed Redevelopment Project Area as a whole to determine whether growth and development would take place therein without the adoption of the proposed Redevelopment Plan; and

WHEREAS, the City Council has reviewed the proposed Redevelopment Plan in connection with the comprehensive plan for development of the City as a whole to determine whether the proposed Redevelopment Plan and Redevelopment Project conform to such comprehensive plan of the City; and

WHEREAS, the City Council has reviewed the area of which the proposed Redevelopment Project Area is comprised to determine its aggregate acreage and to determine whether the contiguous parcels of real property and improvements thereon would be substantially benefitted by the proposed Redevelopment Project improvements; and

WHEREAS, the City Council of the City has determined that it is necessary and in the best interests of the City to authorize the Department of Revenue, pursuant to §11-74.4-8a(1) of the Act, to annually certify and cause to be paid to the City an amount equal to the increase in the aggregate amount of state sales taxes paid by retailers and servicemen on transactions at places of business located within the Redevelopment Project Area.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. Definitions. That the following words and terms used in this Ordinance shall have the following meanings unless the context or use indicates a different meaning:

a) "Act" means the Tax Increment Allocation Redevelopment Act of the State of Illinois, as amended and supplemented from time to time, and as formerly known and cited as the Real Property Tax Increment Allocation Redevelopment Act (Ill.Rev.Stats., Ch. 24, §11-74.4-1 et seq.).

b) "City" means the City of Urbana, Champaign County, Illinois, and its successors and assigns.

c) "City Code" means the Code of Ordinances, City of Urbana, Illinois, as amended and supplemented from time to time.



d) "Fund" means the special fund called the "Special Tax Allocation Fund for Redevelopment Project Area Number Two" established pursuant to §11-74.4-8 of the Act and Section 5 of this Ordinance.

e) "Ordinance" means this Ordinance as originally adopted and as the same may from time to time be amended or supplemented.

f) "Redevelopment Project Area" means the Redevelopment Project Area designated pursuant to §11-74.4-4 of the Act and by Section 4 of this Ordinance, also more specifically herein known and referred to as "Redevelopment Project Area Number Two."

g) "Redevelopment Plan" means the comprehensive program of the City for the Project Area established pursuant to §11-74.4-4 of the Act and as approved by Section 3 of this Ordinance.

h) "Redevelopment Project" means the Redevelopment Project, including any project or projects in furtherance of the objectives of the Redevelopment Plan, established pursuant to §11-74.4-4 of the Act and as adopted and approved by Section 3 of this Ordinance.

Section 2. Findings. That the City Council hereby specifically finds and determines as follows:

a) That the matters hereinabove set forth in the recitals to this Ordinance are adopted as facts.

b) That conditions exist which qualify the proposed Redevelopment Project Area to be classified as a "Conservation Area" within the meaning of §11-74.4-3(b) of the Act, and that the tax bases of the taxing districts which extend into the proposed Redevelopment Project Area will be enhanced by implementation of the Redevelopment Plan.

c) That the proposed Redevelopment Project Area on the whole has not been subject to growth and development through investment by private enterprise and would not be reasonably anticipated to be developed without the adoption of the Redevelopment Plan.

d) That the Redevelopment Plan and Redevelopment Project conform to the comprehensive plan for the development of the City as a whole.

e) That the estimated date for completion of the Redevelopment Project shall not be later than December 1, 2009.



f) That the estimated date for retirement of obligations, if any, incurred by the City to finance the costs incurred in connection with the Redevelopment Project shall not be later than December 1, 2009.

g) That the proposed Redevelopment Project Area is not less in the aggregate than 1 1/2 acres and includes only those contiguous parcels of real property and improvements thereon which will be substantially benefitted by the proposed Redevelopment Project improvements.

h) That no changes have been made in the proposed Redevelopment Plan or Redevelopment Project or the proposed Redevelopment Project Area which alter the exterior boundaries of the proposed Redevelopment Project Area, which substantially affect the general land uses established in the Redevelopment Plan, or which substantially change the nature of the Redevelopment Project.

i) That the Redevelopment Project Area would not reasonably be developed without the use of such incremental revenues as are authorized pursuant to §11-74.4-8a(1) of the Act and Section 6 of this Ordinance.

j) That such incremental revenues described in subsection (i) above will be exclusively utilized for the development of the Redevelopment Project Area pursuant to §§11-74.4-3(i) and 11-74.4-8a(3)(f) of the Act and Section 7 of this Ordinance.

k) That the City imposes the maximum tax allowed by law under each of the following:

(1) the Municipal Retailers' Occupation Tax Act of the State of Illinois pursuant to §22-16, Article II of Chapter 22 of the City Code;

(2) the Municipal Use Tax Act of the State of Illinois pursuant to §22-82, Article IV of Chapter 22 of the City Code; and

(3) the Municipal Service Occupation Tax Act of the State of Illinois pursuant to §22-30, Article III of Chapter 22 of the City Code.

l) That this Ordinance was introduced within fourteen (14) to ninety (90) days from completion of the public hearing specified in §11-74.4-5 of the Act.

**Section 3. Adoption of Redevelopment Plan and Redevelopment Project.** That the proposed Redevelopment Plan and Redevelopment Project, entitled "DOWNTOWN URBANA TAX INCREMENT AREA TWO CONSERVATION REDEVELOPMENT PLAN AND PROJECTS", a copy of which has been presented to and is now before this meeting, be and the same is hereby adopted and approved pursuant to §11-74.4-4 of the Act as the Redevelopment Plan and Redevelopment Project for the proposed Redevelopment Project Area.



**Section 4. Designation of Redevelopment Project Area.** That the proposed Redevelopment Project Area, which is more particularly described in Exhibit A attached hereto and hereby incorporated by reference, be and the same is hereby designated pursuant to §11-74.4-4 of the Act as the Redevelopment Project Area. Such Redevelopment Project Area as described and designated herein shall hereafter be known as, referred to, and identified as the "Redevelopment Project Area Number Two."

**Section 5. Adoption of Tax Increment Allocation Financing.** That tax increment allocation financing be and the same is hereby adopted pursuant to §11-74.4-8 of the Act in respect to the Redevelopment Plan and Redevelopment Project for the Redevelopment Project Area known as, referred to, and identified herein as the "Redevelopment Project Area Number Two." In connection with such adoption of tax increment allocation financing, the ad valorem taxes, if any, arising from the levies upon taxable real property in the Redevelopment Project Area by taxing districts and tax rates determined in the manner provided in §11-74.4-9(c) of the Act each year after the effective date of this Ordinance until the costs of the Redevelopment Project and City obligations financing the costs of the Redevelopment Project incurred under the Act and this Ordinance, if any, have been paid, shall be divided as follows:

(a) That portion of taxes levied upon each taxable lot, block, tract or parcel of real property which is attributable to the lower of the current equalized assessed value or the initial equalized assessed value of each such taxable lot, block, tract or parcel of real property in the Redevelopment Project Area shall be allocated to and when collected shall be paid by the county collector to the respective affected taxing districts in the manner required by law in the absence of the adoption of this tax increment allocation financing.

(b) That portion, if any, of such taxes which is attributable to the increase in the current equalized assessed valuation of each taxable lot, block, tract or parcel of real property in the Redevelopment Project Area over and above the initial equalized assessed value of each property in the Redevelopment Project Area shall be allocated to and when collected shall be paid to the City Comptroller, who shall deposit said taxes into the Fund for the purpose of paying the costs of the Redevelopment Project and the obligations, if any, incurred in the payment thereof.

The Fund, to be used for the purposes as herein provided, be and the same is hereby established.

**Section 6. Authorization of Department of Revenue.** That pursuant to §11-74.4-8a(1) of the Act, the City hereby authorizes the Department of Revenue to annually certify and cause to be paid to the City an amount equal to the increase in the aggregate amount of taxes paid by retailers and servicemen on transactions at places of business located within the



Redevelopment Project Area pursuant to the Municipal Retailers' Occupation Tax Act, the Municipal Service Occupation Tax Act, the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act for as long as the Project Area exists, over and above the aggregate amount of such taxes as certified by the Department of Revenue and paid under such Acts by retailers and servicemen on transactions at places of business located in the Redevelopment Project Area during the base year, which shall be the calendar year of 1985 (that being the calendar year immediately prior to the year in which the City adopted tax increment allocation financing pursuant to the Act and this Ordinance), less 1.6% of such amounts generated under the Retailers' Occupation Tax Act, Use Tax Act and Service Use Tax Act and the Service Occupation Tax Act, which sum shall be retained by the State Treasurer to cover the costs incurred by the Department of Revenue in administering and enforcing Section 11-74.4-8a(1) of the Act.

**Section 7. Allocation and Payment to Fund;**

**Accounting.** That in addition to the City incremental real property tax revenues from the Redevelopment Project Area, which have heretofore been allocated and directed to be paid and deposited to the Fund pursuant to Section 5 of this Ordinance, all incremental revenues from the Municipal Retailers' Occupation Tax Act and the Municipal Service Occupation Tax Act derived from the Redevelopment Project Area shall be allocated to and when collected shall be paid to the City Comptroller who shall deposit said funds in the Fund. Any payments of incremental revenues of the State of Illinois caused to be paid to the City by the Department of Revenue from the Retailers' Occupation Tax Act, the Use Tax Act, the Service Use Tax Act, and the Service Occupation Tax Act pursuant to §11-74.4-8a(1) of the Act and this Ordinance shall likewise be deposited by the City Comptroller in the Fund. For accounting purposes, the City Comptroller shall identify the source of each payment as Municipal Retailers' Occupation and Service Occupation Tax, State Retailers' and Service Occupation Tax, and Use and Service Use Tax.

**Section 8. Use of Incremental Revenues.** That the City shall pursue the implementation of the Redevelopment Plan in an expeditious manner. All incremental revenues created pursuant to §11-74.4-8a(1) of the Act and Section 6 of this Ordinance shall be exclusively utilized for the development of the Project Area and shall be used exclusively to pay the costs of the Redevelopment Project as defined in §11-74.4-3(1) of the Act.

**Section 9. Transmittal.** That within thirty (30) days after the adoption of this Ordinance, the City Clerk be and the same is hereby directed to transmit to the Department of Commerce and Community Affairs and the Department of Revenue the following:



a) a certified copy of this Ordinance accompanied by a complete list of street names and the range of street numbers of each street located within the Project Area for which payments are to be made under §11-74.4-8a(1) of the Act and this Ordinance in both the base year and in the year preceding the payment year; and the addresses of persons registered with the Department of Revenue; and, the name under which each such retailer or serviceman conducts business at that address, if different from the corporate name; and the Illinois Business Tax Number of each such person, updated as required under §11-74.4-8a(3) of the Act;

b) a copy of the Redevelopment Plan as herein approved by the City;

c) an opinion of legal counsel to the City that the City has complied with the requirements of the Act; and

d) a certification by the Mayor of the City that with regard to the Project Area: (1) the City has committed all of the municipal tax increment created pursuant to the Act for deposit in the Fund; (2) the Redevelopment Projects described in the Redevelopment Plan would not be completed without the use of State incremental revenues pursuant to the Act; (3) the City will pursue the implementation of the Redevelopment Plan in an expeditious manner; (4) the incremental revenues created pursuant to §11-74.4-8a(1) of the Act will be exclusively utilized for the development of the Project Area; and (5) the increased revenue created pursuant to §11-74.4-8a(1) of the Act shall be used exclusively to pay Redevelopment Project Costs as defined in the Act.

**Section 10. Annual Submission of Information.** That in the event the City receives any payments as authorized under §11-74.4-8a(1) of the Act and this Ordinance, the Administrator of the Community Development Services Department of the City shall submit to the City Council of the City and to the Illinois Department of Commerce and Community Affairs annually and within 180 days after the close of the fiscal year of the City such information for the immediately preceding fiscal year of the City as may be required by §11-74.4-8a(6) of the Act and any rules and regulations of the Department of Revenue issued pursuant thereto.

**Section 11. Further Authorization.** That from and after the effective date of this Ordinance, the proper officers, agents and employees of the City are hereby authorized, empowered and directed to do all such acts and things and to execute all such documents as may be necessary to carry out the intent and accomplish the purposes of this Ordinance.

**Section 12. Effective Date.** That this Ordinance as hereby adopted shall be in full force and effect as of December 31, 1986.



1986. PASSED by the City Council this 15<sup>th</sup> day of December,

Ruth S. Brookens  
Ruth S. Brookens, City Clerk

1986. APPROVED by the Mayor this 23<sup>rd</sup> day of December,

Jeffrey T. Markland  
Jeffrey T. Markland, Mayor



City of Urbana  
400 South Vine Street  
Post Office Box 219  
Urbana, Illinois 61801-0219  
(217) 384-2362  
FAX (217) 384-2363

**CLERK'S CERTIFICATE**

STATE OF ILLINOIS     )  
                                  )   SS  
COUNTY OF CHAMPAIGN )

I, PHYLLIS D. CLARK, City Clerk of the City of Urbana, Illinois, and keeper of the records, files and seal of said City, do hereby certify that the foregoing is a true and exact copy of an ordinance entitled, "AN ORDINANCE DESIGNATING A DEVELOPER FOR REDEVELOPMENT PLAN AREA #6 (MAPLE AND VINE) IN TAX INCREMENT FINANCING DISTRICT NO. TWO" [Ord. No. 9596-33]

approved by the City Council of the City of Urbana, Illinois, on the 2nd day of October, A.D., 1995, as it appears in the records and files in my office remaining.

Given under my hand and seal of said City of Urbana, Illinois, this 15th day of December, A.D., 1995.

*Phyllis D. Clark* by \_\_\_\_\_  
Phyllis D. Clark, City Clerk  
*Deborah J. Roberts*, Deputy Clerk

(SEAL)



**An Ordinance Designating a Developer for Redevelopment Plan Area #6 (Maple and Vine)  
in Tax Increment Financing District No. Two.**

WHEREAS, in accordance with the provisions of the Tax Increment Allocation Redevelopment Act (Section 5/11-74.4-1 et seq. of chapter 65 of the Illinois Compiled Statutes the Urbana City Council approved the *Downtown Urbana Tax Increment Area II Conservation Redevelopment Plan/Project Area* (the TIF II District) in Ordinance No.8687-45; and

WHEREAS, the TIF II District Plan boundaries consist of a Redevelopment Project Area divided into ten sub-areas with Redevelopment Project Area 6 (RPA 6) referenced a the "Maple & Vine Area"; and

WHEREAS, a request for proposals was advertised in the Champaign Urbana News Gazette on August 20, 1995 requesting proposals for the redevelopment of RPA 6; and

WHEREAS Schnucks Markets, Inc. was the only developer submitting a proposal on the published due date of September 25, 1995; and

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF URBANA, ILLINOIS, as follows:

Section 1. The Schnucks Markets, Inc. redevelopment proposal for the Maple & Vine Redevelopment Project Area was submitted in compliance with the time frames required by the published request for proposals.

Section 2. The Schnucks Markets, Inc. redevelopment proposal meets the following criteria:

a. The redevelopment proposal's retail and commercial land uses are in conformance with the goals and objectives of the Redevelopment Plan for the TIF II District.

b. Schnucks Markets, Inc. has provided sufficient evidence of the availability of project financing.

c. Schnucks Markets, Inc. has control of twenty of twenty-two properties in the redevelopment area.

d. The redevelopment proposal contains the required information to allow the City Council to authorize staff to proceed with the negotiation of a development agreement between Schnucks Markets, Inc. and the City of Urbana.

Section 3. The Urbana City Council hereby designates Schnucks Markets, Inc. as "Developer" of the RPA 6 subject to the City Council's approval of a redevelopment agreement.

Section 4. The City's Chief Administrative Officer and relevant City staff are hereby

authorized to negotiate a development agreement with Schnucks Markets, Inc. for the redevelopment of RPA 6.

This Ordinance is hereby passed by the affirmative vote, the "ayes" and "nays" being called of two-thirds of the members of the Corporate Authorities of the City of Urbana, Illinois, then holding office, at a regular meeting of said Council.

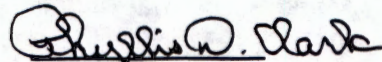
PASSED by the City Council on this 2nd day of October, 1995.

AYES: Hayes, Kearns, Patt, Pollock, Ryan, Taylor, Whelan

NAYS: None

ABSTAINED: None

PASSED by the City Council this 2nd day of October, 1995

  
Phyllis D. Clark, City Clerk

APPROVED by the mayor this 2nd day of October, 1995.

  
Tod Satterthwaite, Mayor



EXHIBIT B

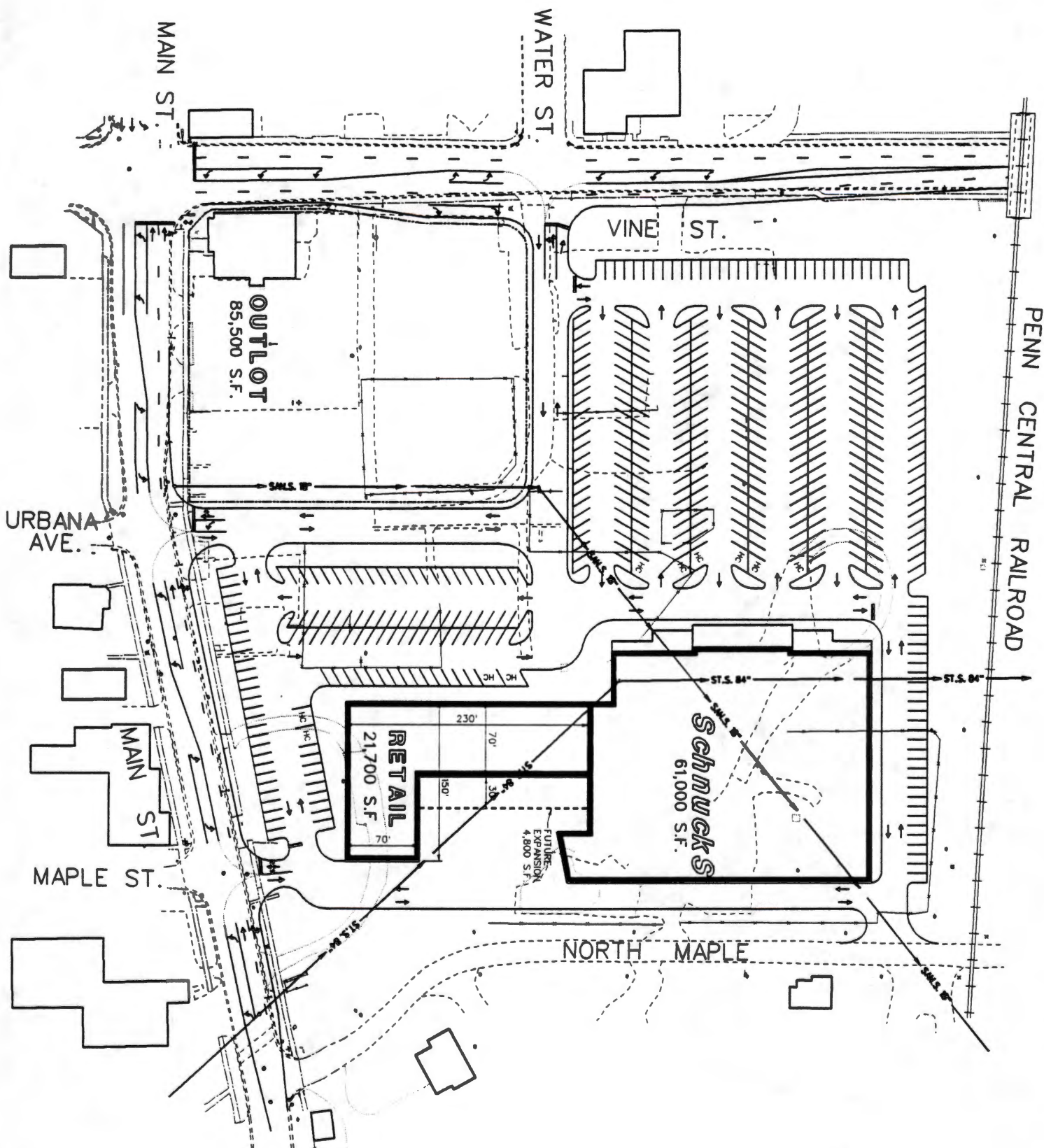
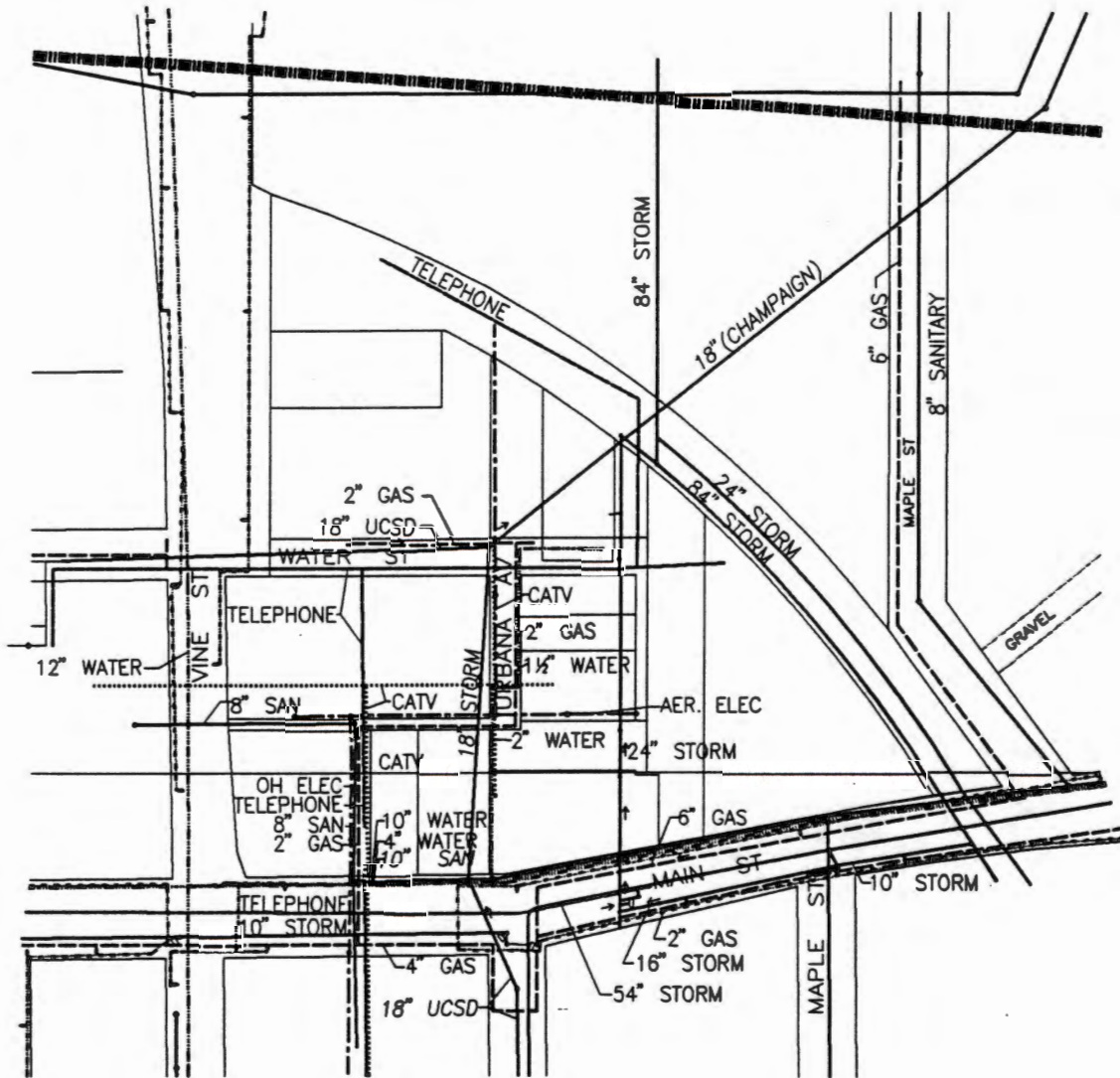


EXHIBIT C



LEGEND:

- Gas
- Water
- Electric
- Street Lighting
- ..... Cable Television
- Telephone
- Storm Sewer
- △ Storm Detention
- Sanitary Sewer

**LOCATION MAP  
PROPOSED  
RIGHT-OF-WAY  
VACATIONS  
300 BLOCK E. MAIN ST.**



## EXHIBIT D

### MAPLE AND VINE REDEVELOPMENT PROJECT AREA

#### CITY IMPROVEMENTS

**Curb and Gutter Removal and Replacement**

**Sidewalk Removal and Replacement (Streetscape) Detail**

**Pavement Widening for Left- and Right-Turn Lanes**

**Asphalt Pavement Removal and Resurfacing**

**Maple Street Railroad Crossing Resurfacing**

**Pavement Striping**

**Storm Inlets and Manholes**

**Street Lighting Relocation**

**Sod Restoration**

**Traffic Signal Modifications**

**Engineering Design Fees**

EXHIBIT E





## EXHIBIT F

### SIGNAGE REQUIREMENTS

**The Developer believes, based upon its current understanding of the Urbana Sign Code, that the signage requirements for the Private Development will be met within the limits of the Sign Code, with the exception of signs provided for individual uses within the Grocery Building for which a variance may be necessary. It is understood by the Developer that separate application will have to be made for any signs requiring a variance from the existing Sign Code.**

**EXHIBIT H**

**PROMISSORY NOTE**

\$1,300,000.00

<Date>

**FOR VALUE RECEIVED**, the City of Urbana, an Illinois home-rule municipality in Champaign County, Illinois ("Payor"), promises to pay to the order of Schnuck Markets, Inc., a Missouri corporation ("Payee"), the sum of One Million Three Hundred Thousand Dollars (\$1,300,000.00), together with interest thereon from the date of the issuance of the Certificate of Occupancy for the Grocery Building (as such terms are defined in that certain Redevelopment Agreement by and between Payor and Payee dated as of \_\_\_\_\_) at a rate per annum equal to eight and one-half percent (8.5%) (the "Interest Rate") compounded quarterly. Subject to the following paragraph, principal and interest shall be due and payable in semi-annual installments of Eighty Thousand Two Hundred Eighty-One and 40/100 Dollars (\$80,281.40) each, on the 30th day of June and the 31st day of December of each calendar year commencing on \_\_\_\_\_, 19\_\_\* until paid in full.

Anything to the contrary herein notwithstanding, in the event annual gross sales from the Private Development (as defined in the Redevelopment Agreement) are less than \$10 Million Dollars for any given calendar year, all real estate and other tax increments if any, (other than sales tax), and one-half (1/2) of all state and local sales tax collected by the City for each calendar year, authorized for inclusion as per the TIF Act (as defined in the Redevelopment Agreement) and attributable to the Redevelopment Project Area, shall be the only source of revenue from which the City shall be obligated and required to pay Payee as set forth herein and the City shall so use such revenue to pay all then scheduled and unpaid Developer Costs (as defined in the Redevelopment Agreement) as set forth in Article V of the Redevelopment Agreement.

The proceeds of each payment shall be credited first to interest accrued to the date of payment and the remaining balance, if any, shall reduce the then outstanding principal balance.

In the event default be made in the payment of all or part of the principal or interest when due, (i) the unpaid principal balance of this Note shall bear interest at an annual rate equal to the lesser of (A) twelve percent (12%), and (B) the maximum rate permitted by law and (ii) all principal and accrued interest, shall, at the option of the holder, become immediately due and payable. In the event default be made in the payment of all or any part of the principal or interest when due, the Payor agrees to pay all costs of collection, including without limitation, reasonable attorneys' fees.

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\* Date shall be completed at the time of execution and shall be the due date of the second and final real estate tax payment for the calendar year in which the Grocery Building and Retail Space is assessed as a completed retail development.



The acceptance of payment of any installment after its due date shall not be deemed to establish a custom or waive any rights to enforce prompt payment of any other installment, and the holder's failure to exercise any right to accelerate the payment of this Note shall not constitute a waiver of the exercise of such right at any other time.

The Payor may prepay this Note, in whole or in part, at any time without premium or penalty, together with accrued interest on the principal amount so prepaid at the prepayment date. Any prepayment shall be applied on and be credited against the installments of principal hereof last to mature.

Time is of the essence to this Note. The Payor hereby waives presentment, demand for payment, notice of dishonor, protest, notice of protest and all other notices or demands in connection with the delivery, acceptance, performance or default of this Note.

Payments of principal and interest shall be made to Payee at \_\_\_\_\_, or to such other address as Payee may designate in writing to Payor.

IN WITNESS WHEREOF, the Payor has caused this Note to be executed and delivered effective as of the day and year first above written.

CITY OF URBANA, ILLINOIS

By: \_\_\_\_\_  
Authorized Official