



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

**FY 2025**

**Name of Redevelopment Project Area:**

**City of Arcola TIF District #1**

**Primary Use of Redevelopment Project Area\*:** Combination/Mixed

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

If "Combination/Mixed" List Component Types: Res, Ind, Ret, Bus

**Under which section of the Illinois Municipal Code was the Redevelopment Project Area designated? (check one):**  
**Tax Increment Allocation Redevelopment Act**   
**Industrial Jobs Recovery Law**

Please utilize the information below to properly label the Attachments.

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

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

**FY 2025**

**Name of Redevelopment Project Area:**

**City of Arcola TIF District #1**

**Provide an analysis of the special tax allocation fund.**

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 43,306

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 570,195	\$ 21,571,101	94%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 6,152	\$ 140,595	1%
Land/Building Sale Proceeds			0%
Bond Proceeds		\$ 1,041,250	5%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)		\$ 231,205	1%

**All Amount Deposited in Special Tax Allocation Fund** \$ 576,347

**Cumulative Total Revenues/Cash Receipts** \$ 22,984,151 100%

**Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)** \$ 503,164

**Transfers to Municipal Sources** \$ 142,549

**Total Expenditures/Disbursements** \$ 645,713

**Net/Income/Cash Receipts Over/(Under) Cash Disbursements** \$ (69,366)

**Previous Year Adjustment (Explain Below)**  

**FUND BALANCE, END OF REPORTING PERIOD\*** \$ (26,060)

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

**Previous Year Explanation:**

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

**FY 2025**

**Name of Redevelopment Project Area:**  
**City of Arcola TIF District #1**

**ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND**  
**PAGE 1**

<b>Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]</b>	<b>Amounts</b>	<b>Reporting Fiscal Year</b>
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Tuscola Chamber & Economic Development - professional services	\$ 6,250	
Core Distinction Group, LLC - study	\$ 7,500	
PGAV Planners - professional services	\$ 126	
Tummelson Bryan & Knox, LLP - legal	\$ 3,091	
		\$ 16,967
2. Annual administrative cost.		
Arthur Publishing - publishing	\$ 17	
Illinois Tax Increment Association - dues	\$ 550	
Gilbert, Metzger & Madigan, LLP - auditing	\$ 1,250	
City of Arcola General Fund - TIF committee wages	\$ 100	\$ 1,917
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
Arcola Food Pantry	\$ 25,000	
Arcola Fire Protection District	\$ 10,000	
Green Mill Village	\$ 144,574	
RR Component Rebuilds	\$ 7,625	
Dr. Ryan Shonkwiler	\$ 2,506	
Cantu's Drywall and Painting	\$ 3,925	
See Continuation Sheet	\$ 95,650	
		\$ 289,280
6. Costs of the construction of public works or improvements.		
City of Arcola - Rebuild Downtown & Main Street project	\$ 195,000	\$ 195,000





CONTINUATION

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

**FY 2025**

**City of Arcola TIF District #1**

**Primary Use of Redevelopment Project Area\*:**

**ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND**

**PAGE 4**

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
Ne-Co Asphalt Co., Inc.	12,650	
Reserve Arcola, LLC	68,000	
City of Arcola General Fund	15,000	
		\$ 95,650



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

**FY 2025**

**Name of Redevelopment Project Area:**

**City of Arcola TIF District #1**

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

**FUND BALANCE BY SOURCE**

\$ (26,060)
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1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
<b>Total Amount Designated for Obligations</b>	\$ -	\$ -

2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
Alan Shonk d/b/a Studio 413 - redevelopment grant	\$	23,310
Arcola Fire Protection District - redevelopment grant	\$	45,000
Arcola Hispanic & American Grocery - redevelopment grant	\$	20,000
Arcola Inn - redevelopment grant	\$	20,000
Backwater LLC d/b/a Bufords - redevelopment grant	\$	20,330
BM Property Management - redevelopment grants	\$	90,000
Brittani Kauffman d/b/a Epic Beauty/Backalley Saloon - redevelopment grant	\$	20,130
City of Arcola - Safe Routes to Schools project	\$	5,745
Dan & Audrey Kreider - redevelopment grants	\$	30,520
Eric and Kelly Headrick - redevelopment agreement	\$	112,623
Graber Building Supply & Hardware - redevelopment agreement	\$	20,000
Green Mill Village LLC - redevelopment agreement	\$	665,878
See Continuation Sheet	\$	291,379
<b>Total Amount Designated for Project Costs</b>	\$	1,364,915

<b>TOTAL AMOUNT DESIGNATED</b>	\$ 1,364,915
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<b>SURPLUS/(DEFICIT)</b>	\$ (1,390,975)
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CONTINUATION

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

**FY 2025**

**City of Arcola TIF District #1**

**Primary Use of Redevelopment Project Area\*:**

**Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting**

**2. Description of Project Costs to be Paid**

Jack Flash Properties, John Wortman - redevelopment grant	\$	20,000
Leslee Combs d/b/a Combs Automotive - redevelopment grant	\$	5,191
Railroad Component Rebuilds, Inc - redevelopment grant	\$	3,677
Shae's Pub & Grub - redevelopment grant	\$	3,425
Shonkwiler Family Dental LLC - redevelopment agreement	\$	26,853
Tabeling Development Co. LLC - redevelopment grant	\$	192,000
Todd Sitz Arcola Coin Wash - redevelopment grant	\$	1,203
Whitney Moody d/b/a Distill Fitness - redevelopment grant	\$	24,187
Wilmer Otto - redevelopment grant	\$	14,843
	\$	291,379

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

**FY 2025**

**Name of Redevelopment Project Area:**

**City of Arcola TIF District #1**

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

X
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Indicate an 'X' if no property was acquired by the municipality within the redevelopment project area.

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

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

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

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

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

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

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

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

**FY 2025**

**Name of Redevelopment Project Area:**

**City of Arcola TIF District #1**

**PAGE 1**

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

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

<b>1. NO</b> projects were undertaken by the Municipality Within the Redevelopment Project Area.	
<b>2.</b> The municipality <b>DID</b> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a and 2b.)	X
<b>2a.</b> The total number of <b>ALL</b> activities undertaken in furtherance of the objectives of the redevelopment plan:	4
<b>2b.</b> The <b>NUMBER</b> of new projects undertaken in fiscal year 2022 or any fiscal year thereafter, within the Redevelopment Project Area.	3

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

<b>TOTAL:</b>	<b>11/1/99 to Date</b>	<b>Estimated Investment for Subsequent Fiscal Year</b>	<b>Total Estimated to Complete Project</b>
Private Investment Undertaken (See Instructions)	\$ 19,302,300	\$ -	\$ 19,302,300
Public Investment Undertaken	\$ 1,320,445	\$ 805,354	\$ 2,125,799
Ratio of Private/Public Investment	14 55/89		9 2/25

**Project 1 Name: Green Mill Village LLC**

Private Investment Undertaken (See Instructions)	\$ 13,000,000		\$ 13,000,000
Public Investment Undertaken	\$ 1,273,984	\$ 665,878	\$ 1,939,862
Ratio of Private/Public Investment	10 10/49		6 47/67

**Project 2 Name: Eric and Kelly Headrick (RR Component Rebuilds)**

Private Investment Undertaken (See Instructions)	\$ 490,000		\$ 490,000
Public Investment Undertaken	\$ 35,594	\$ 112,623	\$ 148,217
Ratio of Private/Public Investment	13 23/30		3 26/85

**Project 3 Name: Shonkwiler Family Dental LLC**

Private Investment Undertaken (See Instructions)	\$ 812,300		\$ 812,300
Public Investment Undertaken	\$ 10,867	\$ 26,853	\$ 37,720
Ratio of Private/Public Investment	74 3/4		21 23/43

**Project 4 Name: Labeling Development Co. LLC**

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

**Project 5 Name:**

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

**Project 6 Name:**

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

**SECTION 6** [Information requested in SECTION 6.1 is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.  
**SECTIONS 6.2, 6.3, and 6.4 are required by law, if applicable. (65 ILCS 5/11-74.4-5(d))**

**FY 2025**

**Name of Redevelopment Project Area:**

**City of Arcola TIF District #1**

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

Number of Jobs Retained	Number of Jobs Created	Job Description and Type (Temporary or Permanent)	Total Salaries Paid
80	30		
			\$ -

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

Project Name	The number of jobs, if any, projected to be created at the time of approval of the redevelopment agreement.		The number of jobs, if any, created as a result of the development to date, under the same guidelines and assumptions as was used for the projections used at the time of approval of the redevelopment agreement.	
Arcola Inn	.27 FTE	0	N/A	N/A
Tabeling Development	30 FTE	1	N/A	N/A
Whitney Moody	0	0.5	N/A	N/A
Arcola Hispanic & American Grocery	.25 FTE	0	N/A	N/A
Shae's Pub & Grub	.25 FTE	0	N/A	N/A

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

Project Name	The amount of increment projected to be created at the time of approval of the redevelopment agreement.	The amount of increment created as a result of the development to date, using the same assumptions as was used for the projections used at the time of the approval of the redevelopment agreement.
Arcola Inn	\$0	N/A
Arcola Hispanic & American Grocery	\$0	N/A
Shae's Pub & Grub	\$0	N/A

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

Project Name	Stated Rate of Return
Arcola Inn	N/A
Arcola Hispanic & American Grocery	N/A
Shae's Pub & Grub	N/A

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

**FY 2025**

**Name of Redevelopment Project Area:**

**City of Arcola TIF District #1**

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

I-57 interchange, industrial park, downtown and north portion of Rt. 45 and 133 corridor.

<b>Optional Documents</b>	<b>Enclosed</b>
Legal description of redevelopment project area	
Map of District	

**SECTION 8** [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

**FY 2025**

**Name of Redevelopment Project Area:**

**City of Arcola TIF District #1**

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

<b>Year of Designation</b>	<b>Base EAV</b>	<b>Reporting Fiscal Year EAV</b>
1992	\$ 4,119,901	\$ 10,008,935

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

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

<b>Overlapping Taxing District</b>	<b>Surplus Distributed from redevelopment</b>
Douglas County	\$ 13,516
Douglas County Historical Museum District	\$ 312
Arcola Fire District	\$ 9,840
Parkland College 505	\$ 8,940
Arcola Library District	\$ 2,965
Arcola Township	\$ 7,752
Arcola Township Road District	\$ 6,419
Arcola Unit 306	\$ 73,438
City of Arcola	\$ 12,949
City of Arcola - share of Road District	\$ 6,418

Unit Code: 021/010/30

CERTIFICATION OF CHIEF EXECUTIVE OFFICER  
ARCOLA TAX INCREMENT DISTRICT NO. 1  
ATTACHMENT B

I, the undersigned, being the Chief Executive Officer for the City of Arcola, Douglas County, Illinois, do hereby certify that the City of Arcola has compiled with all of the requirements of the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4.1 et seq.).

Dated 10-6-, 2025



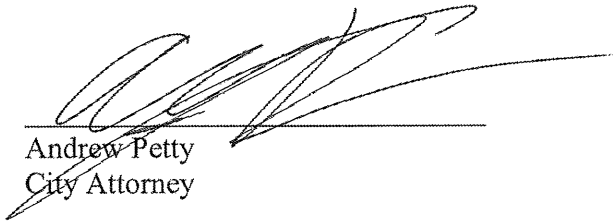
Jesus Garza  
Mayor

Unit Code: 021/010/30

OPINION OF LEGAL COUNSEL  
ARCOLA TAX INCREMENT DISTRICT NO. 1  
ATTACHMENT C

I, the undersigned, City Attorney for the City of Arcola, having reviewed all of the files and other documentation in connection with the Tax Increment District No. 1 of the City of Arcola, hereby state that in my opinion the City of Arcola is in compliance with the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.).

Dated October 7, 2025

  
\_\_\_\_\_  
Andrew Petty  
City Attorney

**CITY OF ARCOLA UNIT CODE: 021/010/30**

**ACTIVITIES STATEMENT – TIF DISTRICT #1  
ATTACHMENT D – PAGE 1**

1. Redevelopment Agreement between City of Arcola, Illinois, and Green Mill Village, LLC dated March 17, 2008: Green Mill Village, LLC undertook to redevelop certain property in the redevelopment project area of 62.98 Acres South of State Route 133 and West of County Road 1000, Arcola. The City has agreed to reimburse Green Mill Village, LLC for its redevelopment project costs by making annual payments not to exceed 60% of the incremental property tax revenues generated by the Green Mill Village, LLC property with annual payments to be made over a period not to exceed 15 years.
2. Resolution to match an IDOT Safe Routes to School Grant dated November 4, 2013: The City passed a resolution for redevelopment project costs to match an IDOT Safe Routes to School Grant for right-of-way improvements in front of the school on Washington Street to be paid from the City's Special Tax Allocation Fund up to \$30,000.
3. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Jack Flash Properties dated April 20, 2015: The City entered into a storefront redevelopment grant whereby it granted to Jack Flash Properties the sum of \$20,000 of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 640 Schrock Drive, Arcola.
4. Redevelopment Agreement between City of Arcola, Illinois, and Eric & Kelly Headrick dated May 16, 2016: Eric & Kelly Headrick entered into this agreement to acquire and redevelop real estate commonly known as 205 N. Chestnut/Route 45 into a new facility to service small railroad equipment. The City agreed to reimburse Eric & Kelly Headrick for their redevelopment project costs by making annual payments not to exceed 60% of the incremental property tax revenues generated by Eric & Kelly Headrick's real estate for tax year 2016 through dissolution of TIF District #1.
5. Redevelopment Grant Agreement between City of Arcola, Illinois and Leslee Combs d/b/a Combs Automotive dated March 5, 2018: The City entered into a redevelopment agreement grant whereby it granted to Leslee Combs d/b/a Combs Automotive the sum of the sum of \$25,000 or 20% of the total redevelopment project costs. The grant is to be used for remodeling of an existing private building on the real estate located at 109 Industrial Drive, Arcola.
6. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Todd Sitz, d/b/a Arcola Coin Wash dated September 4, 2018, later amended on August 5, 2019: The City entered into a storefront redevelopment grant whereby it granted to Todd Sitz, d/b/a Arcola Coin Wash the sum of \$10,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 204 S. Chestnut, Arcola.
7. Redevelopment Grant Agreement between City of Arcola, Illinois, and Daniel and Audrey Kreider d/b/a Broomtown Café dated August 5, 2019: The City entered into a redevelopment agreement grant whereby it granted Daniel & Audrey Kreider d/b/a Broomtown Café the sum of \$20,000 or 20% of the total redevelopment project costs. The grant is to be used for remodeling of an existing private building on the real estate located at 130 East Main Street, Arcola.

**CITY OF ARCOLA UNIT CODE: 021/010/30**

**ACTIVITIES STATEMENT – TIF DISTRICT #1  
ATTACHMENT D – PAGE 2**

8. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Daniel and Audrey Kreider dated August 5, 2019: The City entered into a storefront redevelopment grant whereby it granted Daniel and Audrey Kreider the sum of \$25,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 130 East Main Street, Arcola.
9. Redevelopment Agreement between City of Arcola, Illinois, and Shonkwiler Family Dental, LLC dated October 7, 2019: Shonkwiler Family Dental entered into this agreement to redevelop property commonly known as 114 N. Locust St. The City agreed to reimburse Shonkwiler Family Dental for their redevelopment project costs by making annual payments not to exceed 60% of the incremental property tax revenues generated by Shonkwiler Family Dental's real estate for tax year 2019 through dissolution of TIF District #1.
10. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Graber Building Supply and Hardware, Inc. dated November 4, 2019: The City entered into a storefront redevelopment grant whereby it granted Graber Building Supply and Hardware the sum of \$20,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 111 West Springfield Road, Arcola.
11. Redevelopment Agreement between City of Arcola, Illinois, and Brittani Kauffman d/b/a Epic Beauty/Back Alley Saloon dated September 8, 2020: The City entered into a redevelopment agreement grant whereby it granted Brittani Kauffman d/b/a Epic Beauty/Back Alley Saloon the sum of \$25,000 or 20% of the total redevelopment project costs. The grant is to be used for remodeling of an existing private building on the real estate located at 128 East Main Street, Arcola.
12. Redevelopment Grant Agreement between City of Arcola, Illinois, and Backwater LLC d/b/a Bufords dated March 15, 2021: The City entered into a storefront redevelopment grant whereby it granted Backwater LLC d/b/a Bufords the sum of \$25,000 or 20% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 620 Schrock Drive, Arcola.
13. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Railroad Component Rebuilds, Inc. dated July 19, 2021: The City entered into a storefront redevelopment grant whereby it granted Railroad Component Rebuilds, Inc. the sum of \$20,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 205 North Chestnut, Arcola.
14. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Wilmer Otto dated September 7, 2021: The City entered into a storefront redevelopment grant whereby it granted Wilmer Otto the sum of \$20,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 120 and 122 East Main Street, Arcola.

**CITY OF ARCOLA UNIT CODE: 021/010/30**

**ACTIVITIES STATEMENT – TIF DISTRICT #1  
ATTACHMENT D – PAGE 3**

15. Redevelopment Agreement between City of Arcola, Illinois, and Allan Shonk d/b/a Studio 413 dated December 6, 2021: The City entered into a redevelopment agreement grant whereby it granted Allan Shonk d/b/a Studio 413 the sum of \$25,000 or 20% of the total redevelopment project costs. The grant is to be used for remodeling of an existing private building on the real estate located at 119 East Main Street, Arcola.
16. Resolution of support and commitment of local funds for Rebuild Downtowns & Main Streets Grant dated January 3, 2022: The City passed a resolution for the City's Special Tax Allocation Fund to commit funds for use in conjunction with a Rebuild Downtown & Main Streets grant for downtown infrastructure improvements not to exceed \$75,000.
17. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Arcola Inn dated July 18, 2022: The City entered into a storefront redevelopment grant whereby it granted Arcola Inn the sum of \$20,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 236 South Jacques, Arcola.
18. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and BM Property Management dated July 3, 2023: The City entered into a storefront redevelopment grant whereby it granted BM Property Management the sum of \$20,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 118 East Main Street, Arcola.
19. Redevelopment Agreement between City of Arcola, Illinois, and BM Property Management dated July 3, 2023: The City entered into a redevelopment agreement grant whereby it granted BM Property Management the sum of \$25,000 or 20% of the total redevelopment project costs. The grant is to be used for remodeling of an existing private building on the real estate located at 118 East Main Street, Arcola.
20. Redevelopment Agreement between City of Arcola, Illinois, and Tabelaing Development Company, LLC dated August 7, 2023: Tabelaing Development Company, LLC entered into an agreement to acquire and redevelop real estate into new residential units. The City agreed to reimburse Tabelaing Development Company, LLC for its redevelopment project costs by making annual payments of \$68,000 for the first five years (a total of \$340,000) following this agreement. The City also agreed to make annual payments not to exceed 65% of the incremental property tax revenues generated by Tabelaing Development Company, LLC's real estate for tax year 2023 through dissolution of TIF District #1, or until all TIF eligible project costs are fully reimbursed.
21. Redevelopment Agreement between City of Arcola, Illinois, and Whitney Moody d/b/a Distill Fitness dated October 2, 2023: The City entered into a redevelopment agreement grant whereby it granted Whitney Moody the sum of \$25,000 or 20% of the total redevelopment project costs. The grant is to be used for remodeling of an existing private building on the real estate located at 202-204 East Main Street, Arcola.

**CITY OF ARCOLA UNIT CODE: 021/010/30**

**ACTIVITIES STATEMENT – TIF DISTRICT #1  
ATTACHMENT D – PAGE 4**

22. Redevelopment Agreement between City of Arcola, Illinois, and Arcola Food Pantry dated October 2, 2023: The City entered into a redevelopment agreement grant whereby it granted Arcola Food Pantry the sum of \$50,000 for redevelopment project costs. The grant is to be used for the purchase and remodeling of the storefront of the existing private building on the real estate located at Route 133 and Egyptian Trail, Arcola.
23. Redevelopment Agreement between City of Arcola, Illinois, and BM Property Group, LLC dated February 5, 2024: The City entered into a redevelopment agreement grant whereby it granted BM Property Management the sum of \$25,000 or 20% of the total redevelopment project costs. The grant is to be used for remodeling of an existing private building on the real estate located at 124 East Main Street, Arcola.
24. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and BM Property Group, LLC dated February 5, 2024: The City entered into a storefront redevelopment grant whereby it granted BM Property Group, LLC the sum of \$20,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 124 East Main Street, Arcola.
25. Redevelopment Agreement between City of Arcola, Illinois, and Arcola Community Organization dated April 15, 2024, later amended July 1, 2024: The City entered into a redevelopment agreement grant whereby it will transfer parcels of land, when feasible, to the Arcola Community Organization to be used for a tourist attraction known as Arcola Broom Corn Palace.
26. Resolution of support and commitment of local funds for street lights and Arcola Center sign dated May 20, 2024: The City passed a resolution for the City's Special Tax Allocation Fund to commit funds for new street lights on Schrock Drive and a new sign for the Arcola Center not to exceed \$15,000.
27. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Shae's Pub and Grub dated May 20, 2024: The City entered into a storefront redevelopment grant whereby it granted Shae's Pub and Grub the sum of \$20,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 126 North Oak, Arcola.
28. Resolution of support and commitment of local funds for water main extension and replacement dated October 1, 2024: The City passed a resolution for the City's Special Tax Allocation Fund to commit funds for a water main extension and replacement project not to exceed \$160,000.
29. Storefront Redevelopment Grant Agreement between City of Arcola, Illinois, and Arcola's Hispanic and American Grocery dated October 21, 2024: The City entered into a storefront redevelopment grant whereby it granted Arcola's Hispanic and American Grocery the sum of \$20,000 or 50% of the total redevelopment project costs. The grant is to be used to remodel the storefront of the existing private building commonly known as 117 West Washington, Arcola.

RESOLUTION NO. 24-R-5

RESOLUTION authorizing the expenditure of funds from the City's Special Tax Allocation Fund (TIF #1) and allocating business district funds for lights and signage improvements

\* \* \*

WHEREAS, on May 6, 2024, the Budget and Finance Committee of the City of Arcola (the "City") recommended the City Council approve the expenditure of funds from the City's Special Tax Allocation Fund (TIF #1) and allocation of business district funds for infrastructure improvements including \$15,000.00 from the City's Special Tax Allocation Fund (TIF #1) and \$15,618.81 from the business district for new street lights on Schrock Drive and a new sign for the Arcola Center in the City of Arcola;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARCOLA, DOUGLAS COUNTY, ILLINOIS, as follows:

Section 1. Approval of City's expenses associated with above listed expenses. The City shall receive a grant from the City's Special Tax Allocation Fund (TIF #1) and the City's business district to pay the above listed expenses.

Section 2. Treasurer Authorized to Make Payments Upon Submission of Invoices. The City Treasurer is authorized and directed to pay from the City's Special Tax Allocation Fund (TIF #1) and the City's business district funds as they become available for the above listed costs.

Section 3. Effective Date. This resolution shall be in full force and effect from and after its passage and approval.

\* \* \*

PASSED this 20th day of May, 2024 by a roll call vote as follows:

Voting in favor: Budd Hensley, Helmuth Henson

Voting against: \_\_\_\_\_

Not voting: Juan Beana

Carol Turner  
Carol Turner, City Clerk

APPROVED this 20th day of May, 2024.

*Jesus Garza*

Jesus Garza, Mayor

STATE OF ILLINOIS )  
COUNTY OF DOUGLAS. ) SS.

I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk of the City of Arcola, in the County and State aforesaid, and as such Clerk I am the keeper of the official journal, records and files of the City Council of said City.

I do further certify that the attached and foregoing is a full, true and correct copy of Resolution No. 24-R-5 entitled:

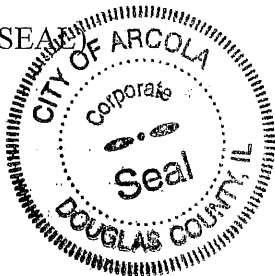
RESOLUTION authorizing the expenditure of funds from the City's Special Tax Allocation Fund (TIF #1) and allocating business district funds for lights and signage improvements as passed by the City Council of the City of Arcola, Douglas County, Illinois, at its legally convened meeting held on the 20th day of May, 2024 and approved by the Mayor on the 20th day of May, 2024, all as appears from the official records of said City, in my care and custody.

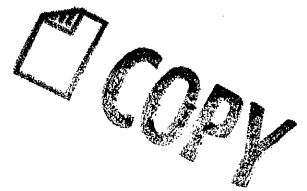
IN WITNESS WHEREOF, I have hereunto affixed by official signature and the corporate seal of the said City of Arcola, Douglas County, Illinois, this 20th day of May, 2024.

*Carol Turner*

Carol Turner, City Clerk

(CITY SEAL)



A large, bold, black stamp in the top right corner of the page. It consists of a small square icon with a document symbol inside, followed by the word "COPY" in a large, sans-serif font.

**ORDINANCE NO. 24-S-6**

AN ORDINANCE approving a Redevelopment Grant Agreement by and between the City of Arcola, and Shae's Pub and Grub (Storefront Rebate – 126 North Oak)

\* \* \*

WHEREAS, the Shae's Pub and Grub ("Developer") has submitted to the City of Arcola ("City") a redevelopment proposal for the redevelopment of real property commonly known 126 North Oak, Arcola, Illinois, which is a part of the Tax Increment District No. 1 Redevelopment Project Area ("Area"); and,

WHEREAS, thereafter, the City and Developer engaged in negotiations related to a Redevelopment Grant Agreement ("Redevelopment Grant Agreement") concerning redevelopment incentives and assistance related to the development and redevelopment of the Area; and

WHEREAS, the City's TIF Advisory Board considered the Developer's redevelopment proposal and recommended the proposal be accepted by the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARCOLA, DOUGLAS COUNTY, ILLINOIS, as follows:

Section 1. Approval. The Redevelopment Grant Agreement, in the form shown in Exhibit 1 which is attached hereto and incorporated herein and was presented at the meeting of the City Council at which this ordinance is adopted, shall be and is hereby ratified, confirmed and approved, and the Mayor and Clerk are authorized to execute and deliver the Redevelopment Grant Agreement for and on behalf of the City; and upon the execution thereof by the City and Company, the appropriate officers, agents, attorneys, and employees of the City are authorized to take supplemental actions, including the

execution and delivery of supplemental opinions, certificates, agreements and instruments not inconsistent with the Redevelopment Grant Agreement, desirable or necessary to implement and otherwise give full effect to the Redevelopment Grant Agreement.

Section 2. Grant Payment. The City Treasurer is hereby authorized and directed to pay to the Developer the funds for the grant pursuant to the terms of the Redevelopment Grant Agreement, upon presentation to the City of adequate documentation with regard to the expenses incurred by the Developer.

Section 3. Effective Date. This ordinance shall be in full force and effect from and after its passage and approval as provided by law.

\* \* \*

PASSED this 20th day of May, 2024 by a roll call vote as follows:

Voting in favor: Budd Hendley, Helmuth, Hendley

Voting against: \_\_\_\_\_

Not voting: Johan Becerra

Carol Turner  
Carol Turner, City Clerk

APPROVED this 20th day of May, 2024.

Jesus Garza  
Jesus Garza, Mayor

**CERTIFICATE**

STATE OF ILLINOIS,        )  
  ) SS.  
COUNTY OF DOUGLAS.    )

I, the undersigned, hereby certify that I am the duly qualified and acting Clerk of the City of Arcola, in the County and State aforesaid, and as such Clerk I am the keeper of the official journal, records, and files of the City of Arcola of said City.

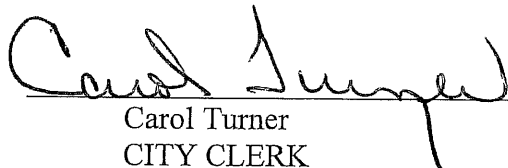
I do further certify that the attached and foregoing is a full, true and correct copy of Ordinance No. 24-S-6 entitled:

AN ORDINANCE approving a Redevelopment Grant  
Agreement by and between the City of Arcola,  
and Shae's Pub and Grub  
(Storefront Rebate – 126 North Oak)

as adopted by the City Council of the City of Arcola, Douglas County, Illinois, at its legally convened meeting held on the 20th day of May, 2024, and signed by the Mayor on the 20th day of May, 2024, all as appears from the official records of said City, in my care and custody.

IN WITNESS WHEREOF, I have hereunto affixed by official signature and the corporate seal of said City of Arcola, Douglas County, Illinois, this 20th day of May, 2024.



  
\_\_\_\_\_  
Carol Turner  
CITY CLERK

## REDEVELOPMENT GRANT AGREEMENT

(Storefront Grant Agreement by and between the City of Arcola and  
Shae's Pub and Grub – 126 North Oak)

This redevelopment grant agreement (this "Agreement") is made by and between the City of Arcola, Illinois, an Illinois municipal corporation (the "City") of 114 North Locust Street, P. O. Box 215, Arcola, Illinois 61910, and Shae's Pub and Grub – 126 North Oak, Arcola, Illinois 61910 (the "Developer").

### RECITALS

- A. The Developer (hereinafter referred to as Shae's Pub and Grub) has undertaken to redevelop an improved parcel of real estate located within the redevelopment project area of TIF District No. 1 and commonly known as 126 North Oak, Arcola, Illinois and with a Douglas County Assessor's Office legal description and parcel identification number of: Town of Okaw Lots 1, 2, 3 & and the north 4' of Lot 4, Block 10, in the City of Arcola, situated in Douglas County, Illinois. PIN: 01-14-04-417-037.
- B. The Developer has incurred and will incur costs incidental to the redevelopment plan and redevelopment project for the redevelopment of the real estate.
- C. No other proposals have been received by the City for the development and redevelopment of the real estate.
- D. On May 20, 2024, the City adopted Ordinance No. 24-S-6 which authorized the City to enter into this agreement.
- E. In the absence of the assistance of the City, the development of the aforesaid property would not be economically feasible and the Developer would not undertake the redevelopment of said property.
- F. This agreement is necessary and incidental to the implementation and furtherance of the Plan and Project.

Now, therefore, in consideration of the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The recitals set forth above are incorporated into this agreement as if they were fully set forth in this paragraph.
2. Grant. The City hereby grants to the Developer a sum equal to the lesser of \$20,000 or 50% of the total Redevelopment Project Costs incurred by the Developer in



of any party to complain of any act or failure to act by the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.

6. TIF Expiration. Any outstanding obligation the City may have under this Agreement shall expire upon the expiration of the TIF District in which the Project is located and the City shall have no obligation to pay any additional sums after the expiration of the TIF District.

IN WITNESS WHEREOF, the parties have executed this agreement on 5-21, 2024.

CITY OF ARCOLA, an Illinois  
Municipal Corporation

By: Jesus Garza  
Jesus Garza, Mayor

ATTEST:

Carol Turner  
Carol Turner, City Clerk

CITY

Shae's Pub and Grub by Juan Martinez, Its Managing Partner

DEVELOPER

**CITY OF ARCOLA, ILLINOIS**

**ORDINANCE NO. 24-S-10**

**AN AMENDED ORDINANCE APPROVING AND  
AUTHORIZING THE EXECUTION OF A TAX  
INCREMENT FINANCING (TIF) DISTRICT AND  
BUSINESS DISTRICT REDEVELOPMENT AGREEMENT**

by and between

**THE CITY OF ARCOLA, DOUGLAS COUNTY, ILLINOIS**

And

**ARCOLA COMMUNITY ORGANIZATION**

**ARCOLA TAX INCREMENT FINANCING DISTRICT 1  
DOWNTOWN AND I-57 BUSINESS DISTRICT**

**ADOPTED BY THE MAYOR AND CITY COUNCIL  
OF THE CITY OF ARCOLA, DOUGLAS COUNTY, ILLINOIS  
ON THE 1ST DAY OF JULY, 2024.**

CITY OF ARCOLA, ILLINOIS: ORDINANCE NO. 24-S-10

AN AMENDED ORDINANCE APPROVING AND  
AUTHORIZING THE EXECUTION OF A TAX  
INCREMENT FINANCING (TIF) DISTRICT AND  
BUSINESS DISTRICT REDEVELOPMENT AGREEMENT

by and between

THE CITY OF ARCOLA

and

ARCOLA COMMUNITY ORGANIZATION

The Mayor and City Council of the City of Arcola, Douglas County, Illinois (the “City”), have determined that this Redevelopment Agreement is in the best interest of the citizens of the City of Arcola.

**THEREFORE**, be it ordained by the Mayor and City Council of Arcola, Illinois, in the County of Douglas, as follows:

1. On April 15, 2024, the City of Arcola passed and approved Ordinance 24-S-5, an Ordinance Approving and Authorizing the Execution of a Tax Increment Financing (TIF) District and Business District Redevelopment Agreement by and between the City of Arcola, Douglas County, Illinois, and the Arcola Community Organization. This Ordinance 24-S-10 and the attached Amended Redevelopment Agreement are intended to amend and entirely replace Ordinance 24-S-5 and its attached Redevelopment Agreement.
2. The Amended TIF and Business District Redevelopment Agreement with Arcola Community Organization (the “Developer”) attached hereto as *Exhibit A* is hereby approved.
3. The Mayor is hereby authorized and directed to enter into and execute on behalf of the City said Redevelopment Agreement and the City Clerk of the City of Arcola is hereby authorized and directed to attest such execution.
4. The Redevelopment Agreement shall be effective the date of its execution by the parties following approval on the 1st day of July, 2024.
5. This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

*[the remainder of this page is intentionally blank]*

PASSED. this 1st day of July, 2024 by a roll call vote as follows:

Voting in favor: Henson, Becerra, Budd, Joan, Hendley

Voting against: \_\_\_\_\_

Not voting: H. Donnelly

Carol Turner  
Carol Turner, City Clerk

APPROVED this 1st day of July, 2024.

Jesus Garza  
Jesus Garza, Mayor



Carol Turner, Date: July 1, 2024  
City Clerk, City of Arcola

Attachment: **EXHIBIT A.** Amended Redevelopment Agreement by and between the City of Arcola and Arcola Community Organization.

**AMENDED TAX INCREMENT  
FINANCING DISTRICT AND BUSINESS  
DISTRICT REDEVELOPMENT  
AGREEMENT**

by and between

**CITY OF ARCOLA, DOUGLAS COUNTY, ILLINOIS**

and

**ARCOLA COMMUNITY ORGANIZATION**

**ARCOLA TAX INCREMENT FINANCING DISTRICT 1  
DOWNTOWN AND I-57 BUSINESS DISTRICT**

July 1, 2024

**EXHIBIT A**

**AMENDED REDEVELOPMENT  
AGREEMENT  
by and between  
CITY OF ARCOLA  
and ARCOLA COMMUNITY ORGANIZATION**

**ARCOLA TIF DISTRICT 1  
DOWNTOWN AND I-57 BUSINESS DISTRICT**

**THIS AMENDED REDEVELOPMENT AGREEMENT** (including Exhibits) is entered into this 1<sup>st</sup> day of July, 2024, by and between the City of Arcola (the “City”), an Illinois Municipal Corporation, Douglas County, Illinois, and Arcola Community Organization (the “Developer”).

**PREAMBLE**

**WHEREAS**, on April 25, 2024, the City of Arcola passed and approved Ordinance 24-S-5, an Ordinance Approving and Authorizing the Execution of a Tax Increment Financing (TIF) District and Business District Redevelopment Agreement by and between the City of Arcola, Douglas County, Illinois, and the Arcola Community Organization. Subsequently the parties agreed to amend the boundaries of the real estate to be transferred from the City of Arcola to the Arcola Community Organization. The parties agree that City of Arcola Ordinance 24-S-10 and this Amended Redevelopment Agreement are amend and entirely replace Ordinance 24-S-5 and its attached Redevelopment Agreement and to alter the boundaries of the real estate to be transferred; and

**WHEREAS**, the City has the authority to promote the health, safety and welfare of the City and its citizens, and to prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of private investment in the marketability of property thereby increasing the tax base of the City and providing employment for its citizens; and

**WHEREAS**, Pursuant to 65 ILCS 5/8-1-2.5, a municipality may appropriate and expend funds for economic development purposes, including without limitation for commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the community; and

**WHEREAS**, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 et seq., as amended (the “Act”), the City has the authority to provide incentives to owners or prospective owners of real property to redevelop, rehabilitate and/or upgrade such property; and

**WHEREAS**, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or obsolete or a combination thereof, the City approved a Tax Increment Financing Redevelopment Plan and Projects (the “Plan”), designated a Redevelopment Area and adopted Tax Increment Financing as provided under the Act for the Arcola TIF DISTRICT 1 (the “TIF District”); and

**WHEREAS**, included in the Redevelopment Project Area is property owned by the Developer, located in Arcola, Illinois and described fully in the attached *Exhibit “1”* of this Redevelopment Agreement (hereinafter referred to as the “Property”); and

**WHEREAS**, the Developer intends to develop the property for commercial uses in that Developer will build a multi-use structure known as the “Broom Corn Palace” which will promote tourism, be an event venue, have a commercial space, and highlight the City’s place in the broom corn industry (the “Project”), and is doing so based on the availability of TIF incentives offered by the City; and

**WHEREAS**, it is the intent of the City to encourage economic development which will increase the real estate tax revenue of the City, which increased incremental taxes will be used, in part, to finance incentives to assist development within the Tax Increment Financing District; and

**WHEREAS**, the Developer's proposed Project is consistent with the TIF District Redevelopment Plan and Projects for the Redevelopment Project Area and further conforms to the land uses of the City as adopted; and

**WHEREAS**, pursuant to Section 5/11-74.4-4(b) of the Act, the City may make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others necessary or incidental to the implementation and furtherance of the Redevelopment Plan; and

**WHEREAS**, on September 7, 2021, the City of Arcola, Illinois ("the City") passed 21-S-14, an Ordinance Establishing and Designating the Downtown and I-57 Business District and Approving the Downtown and I-57 Business District within the City of Arcola, Illinois; and

**WHEREAS**, on September 7, 2021, the City passed 21-S-15, an Ordinance Establishing And Imposing Certain Business District Taxes in the City of Arcola Downtown and I-57 Business District; and

**WHEREAS**, the City has determined that this Project required the incentives requested as set forth herein and that said Project will, as a part of the Plan, promote the health, safety and welfare of the City and its citizens by attracting private investment to prevent blight and deterioration and to generally enhance the economy of the City; and

**WHEREAS**, the City has reviewed the conditions of the Property and has reason to believe that the costs of the necessary public and private improvements to be incurred by the Developer in furtherance of the Project are eligible project costs under the Act and are consistent with the Redevelopment Plan of the City; and

**WHEREAS**, the Parties have agreed that, assuming Development Benchmarks are met and Developer is in compliance with this Agreement, the City shall reimburse the Developer a total of \$125,000 in Business District grants to be paid in installments over five (5) years as detailed herein. Payments from the city shall not exceed Developer's total Eligible Project Costs.

**WHEREAS**, in consideration of the execution of this Agreement, the Developer is completing the Project as set forth in *Exhibit "2"*; and

**WHEREAS**, the City is entering into this Agreement having encouraged and induced the Developer to proceed with the Project located on said Property.

## AGREEMENTS

**NOW, THEREFORE,** the Parties, for good and valuable consideration, the receipt of which is acknowledged, agree as follows:

### A. PRELIMINARY STATEMENTS

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.
3. The Developer shall remain in compliance with all municipal ordinances relating to property development, property condition, zoning, subdivision and building codes. The building constructed pursuant to this agreement shall be compliant with the American with Disabilities Act. Failure to cure a violation within thirty (30) days upon being provided written notice of the same by the City shall be cause for the City to declare the Developer in Default and unilaterally terminate this Agreement, except where such failure is not reasonably susceptible to cure within such 30-day period, in which case the Developer shall have such additional time to cure as is reasonably necessary, provided that the Developer has commenced such cure within such 30-day period and continues to diligently prosecute the same to completion.
4. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.
5. This Agreement shall be recorded by the City with the Douglas County Recorder, providing notice to the public or any interested person or entity of the provisions therein and restrictions, limitations, and covenants on the underlying real estate.

### B. ADOPTION OF TAX INCREMENT FINANCING AND THE ARCOLA DOWNTOWN AND I-57 BUSINESS DISTRICT.

The City has created a Tax Increment Financing District known as the "Arcola TIF DISTRICT 1" and the Arcola Downtown and I-57 Business District which includes the Developer's Property. The City has approved certain Redevelopment Project Costs, including the types described in *Exhibit "2"* for the Developer's Project which shall be hereafter known as the "**Arcola Community Organization Redevelopment Project.**"

### C. INCENTIVES

In consideration for the Developer completing the Arcola Community Organization Redevelopment Project as set forth herein, the City agrees to extend to the Developer the following incentives to assist the Developer's Project:

1. Assuming Development Benchmarks are met and Developer is in compliance with this Agreement, the City shall reimburse the Developer a total of \$125,000 in Business District grants to be paid in equal installments of \$25,000.00 each July for five (5) years starting in July of 2024. Payments from the City shall not exceed Developer's total Eligible Project Costs.

The building constructed pursuant to this agreement shall be compliant with the American with Disabilities Act. The building will be designed and constructed in such a way that in the event an elevator is not a part of the initial construction it shall be in place by the time of the last payment from the City and the last payment from the City shall not be made unless an elevator is in place and operation.

2. The City will transfer the parcel of land on *“Exhibit 1”* to the Developer as soon as is feasible once the Developer has an adequately organized organization to receive the real estate, has secured adequate insurance on the real estate, including but not limited to liability insurance, and is prepared to begin construction on the project within a three month period. The deed of transfer shall reference this Agreement and some of the provisions and restrictions herein.
3. The City will also waive all water and sewer fees for and the cost of the building permit related to the project.

#### **D. LIMITATION OF INCENTIVES TO DEVELOPER**

1. The obligations of the City herein to make financial payments to Developer are obligations of the City’s Business District, and are not an obligation of the City’s TIF Districts and are not a general obligation of the City. Said obligation does not now and shall never constitute an indebtedness of the City within the meaning of any State of Illinois constitutional or statutory provision and shall not constitute or give rise to a pecuniary liability of the City or a charge or lien against any City fund or require the City to utilize its taxing authority to fulfill the terms of this Agreement.
2. There shall be no obligation by the City to make any payments to any person other than the Developer, nor shall the City be obligated to make direct payments to any other contractor, subcontractor, mechanic or materialman providing services or materials to the Developer for the Developer’s Project.
3. The Developer agrees to substantially complete the project, subject to Force Majeure, as defined below.

#### **E. PAYMENT OF ELIGIBLE PROJECT COSTS**

1. Payment to the Developer for Eligible Project Costs as set forth by the Act, shall be made by a Requisition for Payment of Private Development Redevelopment Costs (*Exhibit “3”*, “Requisition”) submitted from time to time by the Developer to the City, and subject to the City’s approval of the costs and to the availability of funds.
2. All Requisitions must be accompanied by verified bills or statements of suppliers, contractors or professionals together with mechanic’s lien waivers (whether partial or full) from each of the parties entitled to a payment that is the subject of the Requisition as required by the City.
3. The Developer shall use such sums as reimbursement for Eligible Project Costs only to the extent permitted by law.
4. The City shall approve or disapprove a Requisition by written receipt to the Developer within thirty (30) business days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld. If a Requisition is disapproved by the City 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 herein shall apply to such resubmittals.

5. All Eligible Project Costs approved shall then be paid by the City to the Developer, or to others as directed by the Developer, pursuant to the Redevelopment Plan and as allowed by Illinois Law. The City shall pay such approved eligible costs annually, provided the Developer has satisfied the terms of this Agreement and costs which exceed the amount available to pay the Developer shall carry forward, until paid, without further action of the Developer. Payment shall be made within forty-five (45) days after approval subject to the terms of this Agreement. Said payments shall not exceed \$25,000.00 per year over five (5) years, up to a total of \$125,000.00 as detailed herein.
6. The Parties acknowledge that the determination of Eligible Project Costs, and, therefore, qualification for reimbursement hereunder are subject to changes or interpretation made by amendments to the Act, administrative rules or judicial interpretation during the term of this Agreement. The City has no obligation to the Developer to attempt to modify those decisions but will assist the Developer in every respect as to obtaining approval of Eligible Project Costs.
7. The Developer may submit for prior approval by the City as Eligible Project Costs under the Act estimates of costs before they are incurred subject to later confirmation by actual bills.

#### **F. VERIFICATION OF PAID REAL ESTATE TAX BILLS**

1. It shall be the sole responsibility of the Developer or its designee to provide to the City, as requested in writing, copies of all PAID real estate tax bills, annually, for the Property.
2. The failure of Developer to provide any information required herein after written notice from the City, and the continued failure to provide such information within (30) days after such notice, or the failure to pay any property tax bills for the Property shall be considered a breach of this Agreement and shall be cause for the City to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

#### **G. DEVELOPMENT BENCHMARKS AND CONTINGENCIES**

In the event that there is some defect in the formation of the Arcola Community Organization, the Arcola Community Organization is denied a not-for-profit status, the financing for the project fails to come to fruition, or it becomes apparent that the Broom Corn Palace project must be abandoned, Developer will transfer the real estate back to the City, at no cost to the City, to the extent the City is willing to accept it. The officers, shareholders, stakeholders, and interested individuals affiliated with Developer, the Project, and the Arcola Community Organization agree to cooperate in good faith to bring the Project to as desirable a conclusion as possible in the event of project failure and to transfer the real estate back to the City, to the extent the City is willing to accept it, as detailed herein.

The building constructed pursuant to this agreement shall be compliant with the American with Disabilities Act. The building will be designed and constructed in such a way that in the event an elevator is not a part of the initial construction it shall be in place by the time of the last payment from the City and the last payment from the City shall not be made unless an elevator is in place and operation.

Though Developer is being extended significant flexibility in its development of the Property, this Agreement is contingent upon, and the parties agree that the Property will not be used for purposes in violation of the zoning of the Property, or the ordinances of the City, or the laws of the State of Illinois or United States of America, and more specifically, the parties agree that the Developer will not develop the Property, utilize the Property for, or sell sections of or the entirety of the Property, to an individual, individuals, or entity that will utilize any portion of the property for:

1. the cultivation or sale of cannabis at a commercial business;
2. the production or sale of pornography at a commercial business;
3. the occurrence at a commercial business of any lewd or lascivious act or any topless and/or bottomless employee and/or employees or entertainment to be performed within the licensed premises by an entertainer employed therein, or by any employee or guest;
4. the displaying of or sale of pornographic films or pictures depicting acts, or a live performance at a commercial business of those acts which are prohibited above;
5. a gambling establishment;
6. any act prohibited by City of Arcola Ordinances.

This provision shall be a covenant running with the land.

The parties agree that in the event Developer violates the provisions of this provision that it will not be eligible for and will forfeit any future reimbursement or economic benefit pursuant to this Agreement for the parcel or parcels of the Property utilized in violation of this Section.

Developer is receiving private donations and public funds for the project so the Developer agrees it cannot sell the real estate and/or building for a profit and cannot sell the real estate and/or building for a purpose not consistent with the purpose of the project and not for the public good. As a result, the parties agree that if the Developer sells the real estate and/or structure within ten years of the date of the execution of this Agreement, the City shall be given a right of first refusal to purchase the real estate and/or structure. In the first six years after the execution of this Agreement, the agreed upon price for the City buying the real estate and/or structure back from the Developer pursuant to the right of first refusal shall be fixed at the lesser of one hundred thousand dollars (\$100,000) or the appraised value of the real estate and/or building. This right of first refusal shall be noted on the deed from the City to the Developer. In the event that building was never constructed, the transfer of land back to the City shall be governed as stated in Section I on Default; Cure; and Remedies below.

#### **H. COOPERATION OF THE PARTIES**

1. The City and the Developer agree to cooperate fully with each other when requested to do so concerning the development of the Developer's Redevelopment Project.
2. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions, and certifications (and, in the City's case, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions, and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions, and intent.
3. The Parties shall cooperate fully with each other in seeking from any or all appropriate governmental bodies all approvals (whether federal, state, county or local) required or useful for

the construction or improvement of property and facilities in and on the Property or for the provision of services to the Property.

### **I. DEFAULT; CURE; REMEDIES**

If construction of the Broom Corn Palace has not begun within two (2) years of the execution of this Agreement, the Developer will transfer the real estate back to the City, assuming the City is willing to accept it. In the event the Broom Corn Palace has not been completed within two (2) years of the execution of this Agreement City may choose to purchase the property back from the Developer for an amount equal to the appraised value of the improvements to the real estate, with a maximum payment by the City of one hundred thousand dollars (\$100,000.00). The City will give the Developer written notice 120 days prior to initiating this intent. The Developer then will have a six (6) month extension to construct the building.

In the event of a default under this Redevelopment Agreement by any party hereto (the "Defaulting Party"), which default is not cured within the cure period provided for below, then the other Party (the "Non-defaulting Party"), may have an action for damages, or, in the event damages would not fairly compensate the Non-defaulting Party for the Defaulting Party's breach of this Redevelopment Agreement, the Non-defaulting Party shall have such other equity rights and remedies as are available to them at law or in equity. Any damages payable by the City hereunder shall be limited to the business district funds payable to the Developer under the terms of this Agreement.

In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this Redevelopment Agreement, it shall not be deemed to be in default under this Redevelopment Agreement unless it shall have failed to perform such monetary covenant within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying that it has failed to perform such monetary covenant. In the event a Defaulting Party fails to perform any nonmonetary covenant as and when it is required to under this Redevelopment Agreement, it shall not be deemed to be in default if it shall have cured such default within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying the nature of the default, provided, however, with respect to those nonmonetary defaults which are not capable of being cured within such thirty (30) day period, it shall not be deemed to be in default if it commences curing within such thirty (30) day period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

### **J. TIME; FORCE MAJEURE**

For this Agreement, time is of the essence. However, the Developer and the City shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if the Developer or City fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnation, pandemics, epidemics, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by the City (or the City's agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or the City.

### **K. ASSIGNMENT**

The rights and obligations of the Developer under this Agreement shall be fully assignable by the Developer provided written notice is provided to the City and the City's consent is obtained prior to

such assignment. The City's consent shall not be unreasonably withheld provided that the nature of the Project is not substantially changed, and further provided that the assignee is financially capable of fulfilling the obligations of the assignor. Any such assignment shall be subject to all the terms and conditions contained in this Agreement. Further, no such assignment shall be deemed to release the assignor of its obligations to the City under this Agreement unless the consent of the City to the release of the assignor's obligations is first obtained.

#### **L. PREPAYMENTS**

The City may, in its sole discretion, elect to prepay any payments or to make a final lump sum payment.

#### **M. WAIVER**

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right of remedy does so in writing. No such waiver shall obligate such party to waive any right of remedy hereunder, or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

#### **N. 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 said 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.

#### **O. NOTICES**

All notices, demands, requests, consents, approvals or other instruments required or permitted by 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 as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

**TO CITY:**

City Clerk, City of Arcola  
114 North Locust Street  
P. O. Box 215  
Arcola, IL 61910

**TO DEVELOPER:**

Arcola  
Community  
Organization,  
717 S. Elm  
St.; Arcola, IL  
61910

#### **P. SUCCESSORS IN INTEREST**

Subject to the provisions of *Section K* above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

#### **Q. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED**

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

#### **R. INDEMNIFICATION OF CITY**

It is the understanding of the Parties that the position of the Illinois Department of Labor is that the Illinois Prevailing Wage Act does not apply to this project. The Developer shall indemnify and hold harmless the City, and all City elected or appointed officials, officers, employees, agents, representatives, engineers, consultants and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Illinois Prevailing Wage Act (820 ILCS 130/0.01 et. seq.), the Illinois Procurement Code, and/or any similar State or Federal law or regulation. In addition, the Developer agrees to indemnify and hold harmless the City for any claim asserted against the City arising from the Developer's Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to the Developer hereunder. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of City, including but not limited to the reasonable attorney fees of City.

#### **S. ENTIRE AGREEMENT**

The terms and conditions set forth in this Agreement and exhibits attached hereto supersede all prior oral and written understandings and constitute the entire agreement between the City and the Developer with respect to the subject matter hereof. Except as specifically stated herein, the parties will each bear their own legal fees, commissions, taxes, and other costs and expenditures incident to the transaction contemplated.

#### **T. TITLES OF PARAGRAPHS**

Titles of the several parts, paragraphs, sections or articles of this Agreement are inserted for convenience of reference only, and shall be disregarded in construing or interpreting any provisions hereof.

#### **U. WARRANTY OF SIGNATORIES**

The signatories of Developer warrant full authority to both execute this Agreement and to bind the entity in which they are signing on behalf of.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Arcola, Illinois.

**CITY ARCOLA,  
ILLINOIS,**  
a Municipal Corporation

**DEVELOPER  
ARCOLA  
COMMUNITY  
ORGANIZATION**

BY: *David Colvard*  
Mayor, City of Arcola ATTEST:

*Lisa Boyer*

City Clerk, City of Arcola  
*Carol Linger*

## EXHIBIT 2

### SUMMARY OF ESTIMATED PROJECT COSTS

Arcola Community Organization / Arcola Community Organization Redevelopment Project

Project Description: The Developer intends to develop the property into a tourist attraction known as the Arcola Broom Corn Palace

*Estimated Costs:* See attached estimate.

Total *Estimated* Project Costs..... \$869,800.00



5. The undersigned certifies and swears under oath that the following statements are true and correct:
- (i) the amounts included in (3) above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the construction contracts, plans and specifications heretofore in effect; and
  - (ii) the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for Eligible Redevelopment Project Costs; and
  - (iii) the expenditures for which amounts are requested represent proper Redevelopment Project Costs as identified in the "Limitation of Incentives to Developer" described in *Section "D"* of the Redevelopment Agreement: have not been included in any previous Request for Reimbursement; have been properly recorded on the Developer's books; are set forth with invoices attached for all sums for which reimbursement is requested; and proof of payment of the invoices; and
  - (iv) the amounts requested are not greater than those necessary to meet obligations due and payable or to reimburse the Developer for its funds actually advanced for Redevelopment Project Costs; and
  - (v) the Developer is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.
  - (vi) Any violation of this oath shall constitute a default of the Redevelopment Agreement and shall be cause for the City to unilaterally terminate the Redevelopment Agreement.
6. Attached to this Request for Reimbursement is *Exhibit "2"* of the Redevelopment Agreement, together with copies of invoices, proof of payment of the invoices, and Mechanic's Lien Waivers relating to all items for which reimbursement is being requested.

BY: \_\_\_\_\_ (Developer)

TITLE: \_\_\_\_\_

**APPROVED BY CITY OF ARCOLA, ILLINOIS**

BY: \_\_\_\_\_

TITLE: \_\_\_\_\_ DATE: \_\_\_\_\_

**RESOLUTION NO. 24-R-9**

RESOLUTION authorizing the expenditure of funds from the City's Special Tax Allocation Fund (TIF #1) and allocating business district funds for water main extension and replacement

\* \* \*

WHEREAS, on October 7 2024, the Budget and Finance Committee of the City of Arcola (the "City") recommended the City Council approve the expenditure of funds from the City's Special Tax Allocation Fund (TIF #1) and allocation of business district funds for infrastructure improvements including \$160,000.00 from the City's Special Tax Allocation Fund (TIF #1) and \$160,000.00 from the business district for a water main extension and replacement project in the City of Arcola;

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF ARCOLA, DOUGLAS COUNTY, ILLINOIS, as follows:

Section 1. Approval of City's expenses associated with above listed expenses. The City shall receive a grant from the City's Special Tax Allocation Fund (TIF #1) and the City's business district to pay the above listed expenses.

Section 2. Treasurer Authorized to Make Payments Upon Submission of Invoices. The City Treasurer is authorized and directed to pay from the City's Special Tax Allocation Fund (TIF #1) and the City's business district funds as they become available for the above listed costs.

Section 3. Effective Date. This resolution shall be in full force and effect from and after its passage and approval.

\* \* \*

PASSED this 21st day of October, 2024 by a roll call vote as follows:


Voting in favor: Henson, Budd, Hensley, Helmuth

Voting against: \_\_\_\_\_

Not voting: Besena, Jora

Carol Turner  
Carol Turner, City Clerk

APPROVED this 21st day of October, 2024.

  
\_\_\_\_\_  
Jesus Garza, Mayor

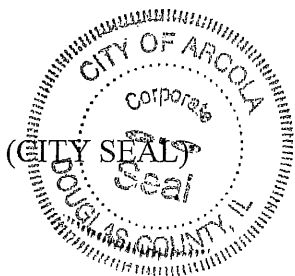
STATE OF ILLINOIS        )        SS.  
COUNTY OF DOUGLAS.    )

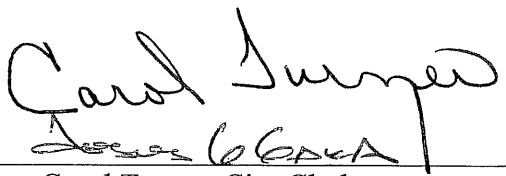
I, the undersigned, do hereby certify that I am the duly qualified and acting Clerk of the City of Arcola, in the County and State aforesaid, and as such Clerk I am the keeper of the official journal, records and files of the City Council of said City.

I do further certify that the attached and foregoing is a full, true and correct copy of Resolution No. 24-R-9 entitled:

RESOLUTION authorizing the expenditure of funds from the City's Special Tax Allocation Fund (TIF #1) and allocating business district funds for water main extension and replacement as passed by the City Council of the City of Arcola, Douglas County, Illinois, at its legally convened meeting held on the 21st day of October, 2024 and approved by the Mayor on the 21st day of October, 2024, all as appears from the official records of said City, in my care and custody.

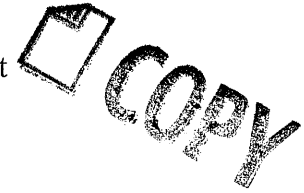
IN WITNESS WHEREOF, I have hereunto affixed by official signature and the corporate seal of the said City of Arcola, Douglas County, Illinois, this 21st day of October, 2024.



  
\_\_\_\_\_  
Carol Turner, City Clerk

**ORDINANCE NO. 24-S-13**

AN ORDINANCE approving a Redevelopment Grant Agreement by and between the City of Arcola, and Arcola's Hispanic and American Grocery (Storefront Rebate – 117 West Washington)

 COPY

\* \* \*

WHEREAS, Arcola's Hispanic and American Grocery, ("Developer") has submitted to the City of Arcola ("City") a redevelopment proposal for the redevelopment of real property commonly known 117 West Washington, Arcola, Illinois, which is a part of the Tax Increment District No. 1 Redevelopment Project Area ("Area"); and,

WHEREAS, thereafter, the City and Developer engaged in negotiations related to a Redevelopment Grant Agreement ("Redevelopment Grant Agreement") concerning redevelopment incentives and assistance related to the development and redevelopment of the Area; and

WHEREAS, the City's TIF Advisory Board considered the Developer's redevelopment proposal and recommended the proposal be accepted by the City.

NOW, THEREFORE, BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF ARCOLA, DOUGLAS COUNTY, ILLINOIS, as follows:

Section 1. Approval. The Redevelopment Grant Agreement, in the form shown in Exhibit 1 which is attached hereto and incorporated herein and was presented at the meeting of the City Council at which this ordinance is adopted, shall be and is hereby ratified, confirmed and approved, and the Mayor and Clerk are authorized to execute and deliver the Redevelopment Grant Agreement for and on behalf of the City; and upon the execution thereof by the City and Company, the appropriate officers, agents, attorneys, and employees of the City are authorized to take supplemental actions, including the

execution and delivery of supplemental opinions, certificates, agreements and instruments not inconsistent with the Redevelopment Grant Agreement, desirable or necessary to implement and otherwise give full effect to the Redevelopment Grant Agreement.

Section 2. Grant Payment. The City Treasurer is hereby authorized and directed to pay to the Developer the funds for the grant pursuant to the terms of the Redevelopment Grant Agreement, upon presentation to the City of adequate documentation with regard to the expenses incurred by the Developer.

Section 3. Effective Date. This ordinance shall be in full force and effect from and after its passage and approval as provided by law.

\* \* \*

PASSED this 21st day of October, 2024 by a roll call vote as follows:

Voting in favor: Henson, Budd, Hensley, Helmuth

Voting against: \_\_\_\_\_

Not voting: \_\_\_\_\_

Carol Turner  
Carol Turner, City Clerk

APPROVED this 21st day of October, 2024.

Jesus Garza  
Jesus Garza, Mayor

**CERTIFICATE**

STATE OF ILLINOIS,        )  
  ) SS.  
COUNTY OF DOUGLAS.    )

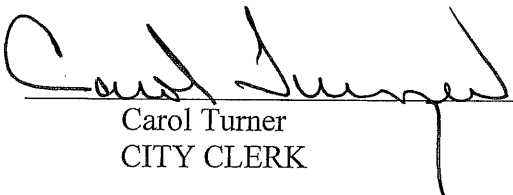
I, the undersigned, hereby certify that I am the duly qualified and acting Clerk of the City of Arcola, in the County and State aforesaid, and as such Clerk I am the keeper of the official journal, records, and files of the City of Arcola of said City.

I do further certify that the attached and foregoing is a full, true and correct copy of Ordinance No. 24-S-13 entitled:

AN ORDINANCE approving a Redevelopment Grant Agreement by and between the City of Arcola, and Arcola’s Hispanic and American Grocery (Storefront Rebate – 117 West Washington)

as adopted by the City Council of the City of Arcola, Douglas County, Illinois, at its legally convened meeting held on the 21st day of October, 2024, and signed by the Mayor on the 21st day of October, 2024, all as appears from the official records of said City, in my care and custody.

IN WITNESS WHEREOF, I have hereunto affixed by official signature and the corporate seal of said City of Arcola, Douglas County, Illinois, this 21st day of October, 2024.

  
\_\_\_\_\_  
Carol Turner  
CITY CLERK



## **REDEVELOPMENT GRANT AGREEMENT**

(Storefront Grant Agreement by and between the City of Arcola and  
Arcola's Hispanic and American Grocery – 117 West Washington)

This redevelopment grant agreement (this "Agreement") is made by and between the City of Arcola, Illinois, an Illinois municipal corporation (the "City") of 114 North Locust Street, P. O. Box 215, Arcola, Illinois 61910, and Arcola's Hispanic and American Grocery – 117 West Washington, Arcola, Illinois 61910 (the "Developer").

### **RECITALS**

A. The Developer has undertaken to redevelop an improved parcel of real estate (hereinafter referred to as Arcola's Hispanic and American Grocery) located within the redevelopment project area of TIF District No. 1 and commonly known as 117 West Washington, Arcola, Illinois and with a Douglas County Assessor's Office legal description and parcel identification number of:

Town of Okaw East 30' Lots 13,14, and 15 and West 20' Vacated Alley Block 19, in the City of Arcola, situated in Douglas County, Illinois. PIN: 01-14-04-430-00400.

B. The Developer has incurred and will incur costs incidental to the redevelopment plan and redevelopment project for the redevelopment of the real estate.

C. No other proposals have been received by the City for the development and redevelopment of the real estate.

D. On October 21, 2024, the City adopted Ordinance No. 24-S-13 which authorized the City to enter into this agreement.

E. In the absence of the assistance of the City, the development of the aforesaid property would not be economically feasible and the Developer would not undertake the redevelopment of said property.

F. This agreement is necessary and incidental to the implementation and furtherance of the Plan and Project.

Now, therefore, in consideration of the covenants and agreements set forth herein, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Recitals. The recitals set forth above are incorporated into this agreement as if they were fully set forth in this paragraph.



5. Waiver. No consent or waiver, express or implied, by any of the parties to or of any breach or default by any other in the performance by the other of its obligations under this agreement shall be deemed or construed to be a consent or waiver to or of any other breach or default in the performance by such other party hereunder. Failure on the part of any party to complain of any act or failure to act by the other party or to declare the other party in default, irrespective of how long such failure continues, shall not constitute a waiver by such party of its rights hereunder.
6. TIF Expiration. Any outstanding obligation the City may have under this Agreement shall expire upon the expiration of the TIF District in which the Project is located and the City shall have no obligation to pay any additional sums after the expiration of the TIF District.

IN WITNESS WHEREOF, the parties have executed this agreement on 12-20, 2024.

CITY OF ARCOLA, an Illinois  
Municipal Corporation

By: Jesus Garza  
Jesus Garza, Mayor

ATTEST:

Carol Turner  
Carol Turner, City Clerk

CITY

Arcola's Hispanic and American Grocery by Reynaldo Garza, Its

DEVELOPER

CITY OF ARCOLA, ILLINOIS  
STATEMENT OF ASSETS, LIABILITIES AND FUND BALANCE  
ARISING FROM CASH TRANSACTIONS - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
April 30, 2025

ATTACHMENT K

	General	Tax Increment Financing	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
<b>ASSETS</b>					
Cash deposits	\$ 1,531,846	\$ 268,288	\$ 359,761	\$ 276,963	\$ 2,436,858
Due from other funds	409	3,421	-	-	3,830
Loan receivables	50,251	-	-	-	50,251
 Total Assets	\$ 1,582,506	\$ 271,709	\$ 359,761	\$ 276,963	\$ 2,490,939
 <b>LIABILITIES</b>					
Payroll deductions	\$ 4,084	\$ -	\$ -	\$ -	\$ 4,084
Due to other funds	3,143	-	-	2,808	5,951
Total liabilities	7,227	-	-	2,808	10,035
 <b>FUND BALANCE</b>					
Nonspendable	50,251	-	-	-	50,251
Restricted for:					
Capital outlay	178,223	-	-	-	178,223
Bond proceeds	33,938	-	-	-	33,938
Insurance	502	-	-	-	502
Unemployment	66,257	-	-	-	66,257
Auditing	5,280	-	-	-	5,280
IMRF	38,681	-	-	-	38,681
Social Security	1,371	-	-	-	1,371
ESDA	14,270	-	-	-	14,270
Public safety	4,093	-	-	-	4,093
Public works/transportation	-	-	359,761	-	359,761
Culture and recreation	68,527	-	-	210,970	279,497
Development	-	271,709	-	63,185	334,894
Committed for:					
Capital improvements	193,542	-	-	-	193,542
Assigned for:					
General government	9,392	-	-	-	9,392
Public safety	32,384	-	-	-	32,384
Culture and recreation	4,118	-	-	-	4,118
Unassigned	874,450	-	-	-	874,450
Total fund balance	1,575,279	271,709	359,761	274,155	2,480,904
 Total Liabilities and Fund Balance	\$ 1,582,506	\$ 271,709	\$ 359,761	\$ 276,963	\$ 2,490,939

The accompanying notes are an integral part of these financial statements.

CITY OF ARCOLA, ILLINOIS  
STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED  
AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS  
GOVERNMENTAL FUNDS  
For the Year Ended April 30, 2025

	General	Tax Increment Financing	Motor Fuel Tax	Nonmajor Governmental Funds	Total Governmental Funds
Revenues Received:					
Property taxes	\$ 411,575	\$ -	\$ -	\$ -	\$ 411,575
TIF surplus distribution	45,871	-	-	-	45,871
TIF property tax increment	-	1,350,500	-	-	1,350,500
State income tax	508,726	-	-	-	508,726
Sales tax	520,216	-	-	222,073	742,289
Non-home rule sales tax	178,915	-	-	-	178,915
Video gaming tax	93,485	-	-	-	93,485
Replacement tax	16,575	-	-	-	16,575
Cannabis tax	4,600	-	-	-	4,600
Telecommunications tax	30,777	-	-	-	30,777
Motor fuel tax	-	-	132,244	-	132,244
Hotel and motel tax	-	-	-	77,301	77,301
Fines and fees	43,450	-	-	-	43,450
Licenses and permits	33,562	-	-	-	33,562
Franchise fees	19,481	-	-	-	19,481
Other governmental agencies	50,234	-	-	-	50,234
Rent	9,040	-	-	-	9,040
Interest	41,807	17,984	10,491	9,236	79,518
Donations	12,182	-	-	-	12,182
Grant funds	1,348,788	57,410	-	-	1,406,198
Miscellaneous	81,395	12,050	-	-	93,445
Total revenues received	<u>3,450,679</u>	<u>1,437,944</u>	<u>142,735</u>	<u>308,610</u>	<u>5,339,968</u>
Expenditures Disbursed:					
General government	360,814	-	-	-	360,814
Public safety	778,905	-	-	-	778,905
Public works/transportation	473,135	-	80,971	-	554,106
Culture and recreation	271,373	-	-	38,422	309,795
Development	-	1,310,726	-	128,356	1,439,082
Debt service	140,658	-	-	-	140,658
Capital outlay	1,177,795	116,402	-	10,000	1,304,197
Total expenditures disbursed	<u>3,202,680</u>	<u>1,427,128</u>	<u>80,971</u>	<u>176,778</u>	<u>4,887,557</u>
Excess of revenues received over (under) expenditures disbursed	<u>247,999</u>	<u>10,816</u>	<u>61,764</u>	<u>131,832</u>	<u>452,411</u>

CITY OF ARCOLA, ILLINOIS  
 STATEMENT OF REVENUES RECEIVED, EXPENDITURES DISBURSED  
 AND CHANGES IN FUND BALANCE - MODIFIED CASH BASIS (Continued)  
 GOVERNMENTAL FUNDS  
 For the Year Ended April 30, 2025

	<u>General</u>	<u>Tax Increment Financing</u>	<u>Motor Fuel Tax</u>	<u>Nonmajor Governmental Funds</u>	<u>Total Governmental Funds</u>
Other Financing Sources (Uses):					
Transfers in	46,771	-	-	-	46,771
Transfers out	-	-	-	(160,000)	(160,000)
Total other financing sources (uses)	<u>46,771</u>	<u>-</u>	<u>-</u>	<u>(160,000)</u>	<u>(113,229)</u>
Change in fund balance	294,770	10,816	61,764	(28,168)	339,182
Fund balance, beginning of year	<u>1,280,509</u>	<u>260,893</u>	<u>297,997</u>	<u>302,323</u>	<u>2,141,722</u>
Fund Balance, End of Year	<u>\$ 1,575,279</u>	<u>\$ 271,709</u>	<u>\$ 359,761</u>	<u>\$ 274,155</u>	<u>\$ 2,480,904</u>

The accompanying notes are an integral part of these financial statements.

ATTACHMENT L  
**GILBERT, METZGER & MADIGAN, LLP**  
CERTIFIED PUBLIC ACCOUNTANTS

Michael J. Metzger, CPA  
Kelsey D. Swing, CPA

6029 Park Drive, Suite A  
Charleston, Illinois 61920

phone (217) 345-2128  
fax (217) 345-2315  
website gmmcpa.com

INDEPENDENT AUDITOR'S REPORT ON COMPLIANCE

To the Mayor and City Council  
City of Arcola  
Arcola, Illinois

**Opinion**

We have audited the City of Arcola, Illinois' Tax Increment Finance District #1's compliance with the requirements of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) for the year ended April 30, 2025.

In our opinion, City of Arcola, Illinois' Tax Increment Finance District #1 complied in all material respects, with the types of compliance requirements referred to above for the year ended April 30, 2025.

**Basis for Opinion**

We conducted our audit of compliance in accordance with auditing standards generally accepted in the United States of America. Our responsibilities under this standard are further described in the Auditor's Responsibilities for the Audit of Compliance section of our report.

We are required to be independent of City of Arcola, Illinois' Tax Increment Finance District #1 and to meet our other ethical responsibilities, in accordance with relevant ethical requirements relating to our audit. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion on compliance. Our audit does not provide a legal determination of City of Arcola, Illinois' Tax Increment Finance District #1's compliance with the requirements referred to above.

**Responsibilities of Management for Compliance**

Management is responsible for the compliance with the requirements referred to above and for the design, implementation, and maintenance of effective internal control over compliance with the requirements of laws, statutes, regulations, rules, and provisions of contracts or agreements applicable to City of Arcola, Illinois' Tax Increment Finance District #1.

**Auditor's Responsibilities for the Audit of Compliance**

Our objectives are to obtain reasonable assurance about whether material noncompliance with the requirements referred to above occurred, whether due to fraud or error, and express an opinion on City of Arcola, Illinois' Tax Increment Finance District #1's compliance based on our audit. Reasonable assurance is a high level of assurance but is not absolute assurance and therefore is not a guarantee that an audit conducted in accordance with generally accepted auditing standards will always detect material noncompliance when it exists. The risk of not detecting material noncompliance resulting from fraud is higher than for that resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control. Noncompliance with the requirements referred to above is considered material if there is a substantial likelihood that, individually or in the aggregate, it would influence the judgment made by a reasonable user of the report on compliance about City of Arcola, Illinois' Tax Increment Finance District #1's compliance with the requirements above.

ATTACHMENT L

**Purpose of this Report**

The purpose of this report is solely to describe the scope of our testing of compliance and the results of that testing. Accordingly, this report is not suitable for any other purpose.

*Gilbert, Metzger & Madigan, LLP*

September 16, 2025




Unit Code: 021/010/30

DESIGNATION OF TIF ADMINISTRATOR  
ARCOLA TAX INCREMENT DISTRICT NO. 1  
ATTACHMENT O

I, the undersigned, being the Mayor of the City of Arcola, Douglas County, Illinois,  
designate the following employee as the TIF Administrator:

William Wagoner, City Administrator  
114 N. Locust  
Arcola, IL 61910  
(217) 268-4966  
bwagoner@arcolailinois.org

Dated 10-6-, 2025

  
\_\_\_\_\_  
Jesus Garza  
Mayor