

CITY OF VILLA GROVE
DOUGLAS COUNTY, ILLINOIS

ORDINANCE NO. 2025-MC02

**AN ORDINANCE AUTHORIZING AND APPROVING A
REDEVELOPMENT AGREEMENT BETWEEN THE CITY OF VILLA GROVE,
DOUGLAS COUNTY, ILLINOIS AND AF ANTRONICS**

PASSED BY THE CITY COUNCIL AND
APPROVED BY THE MAYOR OF THE
CITY OF VILLA GROVE, ILLINOIS
THIS TENTH DAY OF FEBRUARY 2025

PUBLISHED IN PAMPHLET FORM BY AUTHORITY OF THE MAYOR AND CITY COUNCIL OF THE
CITY OF VILLA GROVE, DOUGLAS COUNTY, ILLINOIS, THIS ELEVENTH DAY OF FEBRUARY
2025.

CITY OF VILLA GROVE
DOUGLAS COUNTY, ILLINOIS

ORDINANCE NO. 2025-MC02

February 10, 2025

**AN ORDINANCE AUTHORIZING AND APPROVING A
REDEVELOPMENT AGREEMENT BETWEEN THE CITY OF VILLA GROVE,
DOUGLAS COUNTY, ILLINOIS AND AF ANTRONICS**

WHEREAS, the City of Villa Grove, Douglas County, Illinois, is a municipality as contemplated under Article VII, Section 7 of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of City's powers and functions as granted in the same; and

WHEREAS, the City of Villa Grove (the "City") has heretofore adopted and implemented a Tax Increment Financing District (the "TIF District") pursuant to the Tax Increment Allocation Redevelopment Act (the "Act"), (65 ILCS 5/11-74.4-1 et seq.); and,

WHEREAS, among the purposes for the implementation of the TIF District is the desire by the Mayor and City Council of the City to redevelop, rehabilitate and improve the real property, buildings and public facilities within the boundaries of the TIF District; and,

WHEREAS, Mr. Loren Anderson, doing business as AF Antronics, an Illinois sole proprietorship (the "Developer") has proposed to the Mayor and City Council the rehabilitation and improvement of real properties owned by the Developer located at 2 North Main Street within the corporate limits of the City and the TIF District; and,

WHEREAS, the Mayor and City Council have heretofore determined that the proposal of the Developer is consistent with the purposes for which the TIF District was implemented and with the public policies of the TIF Act; and,

WHEREAS, the City and the Developer have agreed on the terms and conditions of a Redevelopment Agreement pursuant to which the City will provide assistance to the Developer from the Special Tax Allocation Fund of the TIF District; and,

WHEREAS, in order to approve the proposal and implement the project proposed by the Developer, it is necessary, appropriate and convenient that the City Council approve the Redevelopment Agreement and authorize other actions in connection therewith;

NOW, THEREFORE BE IT ORDAINED BY THE MAYOR AND COUNCIL, CITY OF VILLA GROVE, DOUGLAS COUNTY, ILLINOIS, as follows:

SECTION 1: That the Preambles hereto are true and correct and are incorporated herein by reference as if fully set forth at this point, including, but not limited to, specifically, the legislative determination that the proposal of the Developer is consistent with the Redevelopment Plan of the TIF District and the public policies of the TIF Act.

SECTION 2. That a certain "Redevelopment Agreement" between the City of Villa Grove, Illinois and the Developer, in the form attached hereto as Exhibit A, including all attachments thereto, is hereby, in all respects, approved.

SECTION 3. That the Mayor is hereby authorized, empowered and directed to execute the Redevelopment Agreement on behalf of the City. The City Clerk is hereby authorized, empowered and directed to attest the signature of the Mayor and affix the Seal of the City on the Redevelopment Agreement.

SECTION 4. That the TIF District's Administrator, Consultant and Attorney of the City are hereby authorized, empowered and directed to take any and all actions which may be necessary, appropriate or convenient to effectuate the purposes of this Ordinance and any and all transactions contemplated by the Redevelopment Agreement approved herein.

SECTION 5: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 6: That all ordinances, resolutions and order, or parts thereof, in conflict with the provisions of this Ordinance are to the extent of such conflict repealed.

SECTION 7: That this Ordinance shall be in full force and effect from and after its passage and approval as provided by law and shall be published in pamphlet form pursuant to law.

PRESENTED, PASSED, APPROVED AND ADOPTED BY THE MAYOR AND CITY COUNCIL OF THE CITY OF VILLA GROVE, ILLINOIS, at its regular meeting on this tenth day of February, A.D., 2025, by a roll call vote as follows:

Blaney, Thelma I. absent

Nieto, Gilbert III yca

Cheely, Kerry S. absent

Hooker, Anthony L. yca

Clark, Wayne R. yca

Johnson, Derek S. yca

Eversole-Gunter, Cassandra A. _____

APPROVED:



CASSANDRA A. EVERSOLE-GUNTER
Mayor

ATTEST:



MICHELLE L. OSBORNE
City Clerk



TAX INCREMENT FINANCING REDEVELOPMENT AGREEMENT

LOREN ANDERSON d/b/a AF ANTRONICS INC.
2 NORTH MAIN STREET REDEVELOPMENT PROJECT

THIS REDEVELOPMENT AGREEMENT (including any exhibits and attachments hereto, collectively, this "Agreement") is entered into on this _____ day of _____, 2025, by and between the CITY OF VILLA GROVE, DOUGLAS COUNTY, ILLINOIS, an Illinois Municipal Corporation (hereinafter referred to as the "City"), and LOREN ANDERSON, a private individual, d/b/a AF ANTRONICS, INC. (hereinafter known as the "Developer").

RECITALS

- A. On April 15, 1999, in accordance with the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et seq.*), as supplemented and amended (the "TIF Act"), the City Council of the City (the "Corporate Authorities") approved ordinances designating a Tax Increment Financing (TIF) Redevelopment Project Area (also known as the "TIF District" or "TIF #1") and adopting the Villa Grove Redevelopment Plan and Project (the "Redevelopment Plan" or "TIF Plan"), as supplemented and amended on November 12, 2018.
- B. The Developer has submitted a redevelopment proposal to the City for the performance of a project for redevelopment and improvement of certain property located within the TIF District which could not or would not be undertaken without the provision of TIF assistance from the City.
- C. The Corporate Authorities, after reviewing the redevelopment proposal submitted by the Developer and considering the benefits and impacts it will have on the City, believes that the Redevelopment Project as set forth herein, and the performance generally of this Agreement, are in the best interests of the City, and the health, safety, morals and welfare of its residents, and in accord with the purposes specified in the Redevelopment Plan.

COVENANTS AND AGREEMENTS

SECTION 1: The Redevelopment Project(s). The Developer agrees, subject to the terms and conditions hereof, to undertake a project which will cause for the redevelopment, renovation, repair, rehabilitation, and general improvement of an existing commercial building to be used by the Developer in the operation of a commercial business (AF Antronics) (the "Redevelopment Project"), on certain "Property", as shall be defined and identified by the following address(s) and PIN(s), including any subdivisions and/or

combinations thereof:

Douglas County PIN:	Site Address:
04-03-10-214-017	2 N Main, Villa Grove, Illinois 61956

As also depicted and described in Appendix A – Project Location

The Redevelopment Project includes, but is not limited to:

- a) All preconstruction demolition, site preparation, engineering, planning, surveying, architectural work, studies, and other professional services which may be required.
- b) The renovation, repair, rehabilitation, restoration, and general redevelopment of the existing building located on the Property, which includes, but is not limited to:
 1. Masonry renovations and repairs of access/egress to 2nd floor (Monroe Street entrance).
 2. Door replacement and transom window restoration of 2nd floor entrance (Monroe Street entrance).
- c) Any and all other work to the building and Property to complete the project as proposed and be suitable for the proposed or expected uses and in accordance with all federal, state, and local regulations of such a facility or uses.
- d) Any and all other improvements, site clean-up, inspections, permitting, and other work which may reasonably be required to complete the project as proposed.

The Developer agrees to have the Redevelopment Project substantially completed by April 1, 2025. An extension to this deadline may be granted with written approval from the City, of which will not be unreasonably withheld.

The Developer agrees that in order for the Redevelopment Project to be considered substantially complete, all listed components must be complete, the building(s) and property must be ready for occupation, performance of the proposed services or activities, and be in compliance with all relevant building codes, ordinances, or other regulations.

The Developer agrees that all work and construction phases will be performed in accordance with all federal, state, and local laws, codes, ordinances, regulations, and other relevant policies which may pertain to the performance of the proposed project.

The Developer agrees that the Redevelopment Project will include a minimum expenditure by the Developer of at least **\$24,600.00** ("Required Minimum Investment") and that failure to make the Required Minimum Investment may constitute a breach of contract, which can result in default of this agreement at the discretion of the City.

SECTION 2: Reimbursement of Eligible Costs. Should the Developer comply with all the obligations in Section 1 and elsewhere in this Agreement in all material respects, the City agrees to reimburse the Developer for certain Eligible Redevelopment Project Costs

incurred during the performance of the Redevelopment Project as may be allowable in accordance with the TIF Act.

“Eligible Redevelopment Project Costs” shall be the costs actually paid and incurred by the Developer in connection with the Redevelopment Project which are authorized to be reimbursed or paid from revenues collected pursuant to the TIF Act as provided in Section 5/11-74.4-3(q) of the TIF Act, as determined and verified by the City, in the City’s sole discretion. For the purposes of this agreement, Eligible Redevelopment Project Costs may include, but are not limited to:

PROJECT COSTS ESTIMATES		
Work Item Description	Estimated Total Cost	Estimated TIF Eligible Cost
Masonry Renovations	\$20,000.00	\$20,000.00
Door replacement and transom window restoration	\$4,600.00	\$4,600.00
TOTAL	\$24,600.00	\$24,600.00

SECTION 3: Structure of Incentives and Developer Reimbursement Payments.

Should the Developer comply with all the obligations in Section 1 and of this Agreement in all material aspects, The City agrees to reimburse the Developer for portions of certain costs incurred during the performance of the Redevelopment Project.

In accordance with this agreement, the City agrees to cause for financial assistance to be provided to the Developer in the following forms:

(A) One-Time Cost Reimbursement Grant Payment

Pursuant to this agreement, the City agrees to reimburse the Developer in an amount equal to **seventy-five percent (75%)** of the total Eligible Redevelopment Project Costs which are incurred during the performance of the Redevelopment Project, as determined and verified by the City, in the City’s sole discretion (the “Reimbursement Amount”), up to a maximum amount of **\$18,450.00** (the “Reimbursement Limit”).

Disbursement of these funds will be in the form of a one-time, lump-sum payment, and will only be eligible for disbursement upon completion of the entire Redevelopment Project, submission of proper Requests for Payment, and verification of costs incurred, as verified and approved by the City, in the City’s sole discretion.

SECTION 4: Requests for Payment. The Developer agrees to submit Requests for Payment of the Reimbursement Amount in substantially the same form as set forth in Exhibit 1 (“Requests for Payment”) within 30 days of completion of the Redevelopment Project. All Requests for Payment shall be accompanied by invoices, statements, vouchers or bills for the amount requested (including evidence of payment thereof as to any amounts for which payment or reimbursement is requested) and lien waivers for all services or materials furnished by subcontractors, except as to any retainage, related to amounts for which reimbursement is requested. It is the sole responsibility of the Developer to submit any all Requests for Payment at the time it believes all obligations of the Developer have been completed and payment may be eligible for disbursement in accordance with the terms of this Agreement. If proper Request for Payment is not submitted within 30 days of completion of the Redevelopment Project, and no extension to this deadline has been granted by the City, the City will have the right to immediately void this Agreement, and all Incentive Payments owed to the Developer shall be forfeit.

SECTION 5: Approval of Requests. The City shall approve or disapprove any Requests for Payment within 30 days of the submittal thereof. If the City disapproves any Request or any portion thereof, it shall state in writing the reasons therefore and provide the Developer a reasonable opportunity to clarify or correct the Request.

SECTION 6: Disbursement of Payment. Disbursement of payment in accordance with this Agreement will be in the form of a one-time lump sum grant payment and **will only be eligible for disbursement upon completion of all components and conditions of the Redevelopment Project** as verified and approved by the City, in the City’s sole discretion, and not before submission of a proper Request for Payment by the Developer, of which must be approved by an authorized representative of the City.

Within 30 days of approval of any Request for Payment, the City shall pay the Developer for such approved Eligible Redevelopment Project Costs to the extent monies are available in the Special Allocation Fund for the TIF District.

SECTION 7: Payment Limited to Special Allocation Fund. Notwithstanding any other term or provision of this Agreement, the City's obligations for payments pursuant to this Agreement are limited to monies in the Special Allocation Fund for the TIF District and from no other source. This Agreement does not compel the City’s General Fund, or any other source of funds, to provide monies for any payment or obligation identified herein. The “Special Allocation Fund” shall be the fund or account set up by the City specifically to deposit monies collected pursuant to the TIF Act for the TIF District.

SECTION 8: Administration Fees. The Developer agrees that all payment(s) received

from the City may be subject to the deduction of an “Administration Fee” for the creation and administration of this Redevelopment Agreement and all matters related to the context of this Agreement. Administration Fees will be calculated as an amount equal to **10%** of any payment made to the Developer from the City pursuant to this agreement. **The City may waive this fee at their discretion.**

SECTION 9: Default and Remedies The Developer agrees that if any of the following events occur within five (5) years after the disbursement of any payment from the City pursuant to this agreement (the “Effective Date”), the Developer may be considered to be in default of the Agreement, and the City will have the right to recover from the Developer certain portions of the total payments granted from the City to the Developer as part of this Agreement:

- a) Failure to complete the Redevelopment Project within the required timeframe.
- b) Failure to provide evidence that the Developer has made the Required Minimum Investment upon completion of the Redevelopment Project after written notice and expiration of 30 day’s opportunity to cure.
- c) The Property or building(s) located thereon is determined to have been destroyed, unfit for occupation or redevelopment, or otherwise unusable for public or private purposes, and is not restored in a timely manner.
- d) The building/property is not being used for the purposes identified as the Redevelopment Project.
- e) The Property is sold or ownership is transferred without the written approval of the City.
- f) The Developer is found to have not maintained proper insurance as may be required by any federal, state, or local regulations or requirements.
- g) The Property or Developer is found to be in violation of any federal, state, or local laws, codes, ordinance, or other regulations which may be applicable to the Property, Developer, or businesses operating thereon, and such violations are not corrected in a reasonable or timely manner.
- h) The Property becomes exempt from the payment of property taxes, or the Developer, or any representative thereof protests or appeals the assessed value of the property.
- i) All general ad valorem taxes and assessments charged or imposed upon the Property, Developer, or business, or any part thereof that at any time are not paid in full at the time they become due.

If any of the foregoing defaults occur within five (5) years from the Effective Date, and such default is not timely cured, the Developer will return to the City the amount equal to 100% of any payments provided pursuant to this agreement.

Upon the occurrence of a default or a breach which results in either party to undertaking any action to enforce any provision of this Agreement, the defaulting party shall pay upon demand all of the non-defaulting party's charges, costs and expenses, including the reasonable fees of attorneys, agents and others, as may be paid or incurred by such non-defaulting party in enforcing any of the defaulting party's obligations under this Agreement or in any litigation, negotiation or transaction in connection with this Agreement in which the defaulting party causes the non-defaulting party, without the non-defaulting party's fault, to become involved or concerned.

The City reserves the right to pursue recovery of any and all payments made to the Developer pursuant to this Agreement at their own discretion after material default by Developer. Request for repayment will be required to be made in writing to the Developer and is not automatically triggered by the above-mentioned events.

SECTION 10: Liability of the Developer. It is expressly agreed that the signatory(s) of this Agreement, on behalf of the Developer, shall be personally liable for all payments or obligations for payment to the City which have resulted from default or breach of this Agreement.

SECTION 11: Liability of the City. All covenants, stipulations, promises, agreements and obligations of the City contained herein shall be deemed to be the covenants, stipulations, promises, agreements and obligations of the City and not of any of its Corporate Authorities, officials, agents, employees or independent contractors in their individual capacities. No member of the Corporate Authorities, officials, agents, employees or independent contractors of the City shall be personally liable to the Developer **(i)** in the event of a Default or Breach by any party under this Agreement, or **(ii)** for the payment of any portion of the Reimbursement Amount which may become due and payable under the terms of this Agreement.

SECTION 12: City Not Liable for Damages. Notwithstanding anything herein to the contrary, the City shall not be liable to the Developer for damages of any kind or nature whatsoever arising in any way from this Agreement, from any other obligation or agreement made in connection therewith or from any Default or Breach under this Agreement; provided that nothing in this Section 11 shall limit otherwise permissible claims by the Developer against the Fund or actions by the Developer seeking specific performance of this Agreement or other relevant contracts in the event of a Breach of this Agreement by the City.

SECTION 13: Hold Harmless of the City. The Developer agrees to indemnify, defend and hold harmless the City, its Corporate Authorities, officials, agents, employees and

independent contractors, from and against any and all suits, claims and cost of attorneys' fees, resulting from, arising out of, or in any way connected with **(i)** any of the Developer's obligations under or in connection with this Agreement, **(ii)** the performance of the Redevelopment Project, **(iii)** the Developer's compliance with fair labor practices including the Prevailing Wage Act if, as and when applicable to the Project, and **(iv)** the negligence or willful misconduct of the Developer, its officials, agents, employees or independent contractors in connection with the management, development, redevelopment, construction or installation of the Project, except as such may be caused by the intentional conduct, gross negligence, negligence or breach of this Agreement by the City, its Corporate Authorities, officials, agents, employees or independent contractors.

SECTION 14: Provision Enforceability. In the event any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

SECTION 15: Assignment. The Developer agrees that it shall not sell, assign or otherwise transfer any of its rights and obligations under this Agreement without the prior written consent of the City. Any assignment in whole or in part shall be void and shall, at the option of the City, terminate this Agreement. No such sale, assignment or transfer, including any with the City's prior written consent, shall be effective or binding on the City, however, unless and until the Developer delivers to the City a duly authorized, executed and delivered instrument which contains any such sale, assignment or transfer and the assumption of all the applicable covenants, agreements, terms and provisions of this Agreement by the applicable parties thereto.

SECTION 16: No Joint Venture, Agency, or Partnership Created. Nothing in this Agreement nor any actions of either of the City or the Developer shall be construed by either of the City, the Developer or any third party to create the relationship of a partnership, agency, or joint venture between or among the City and any party being the Developer.

SECTION 17: Force Majeure. Neither the City nor Developer nor any successor in interest shall be considered in breach or default of their respective obligations under this Agreement, and times for performance of obligations hereunder shall be extended in the event of any delay caused by Force Majeure, including, without limitation, damage or destruction by fire or casualty; strike; lockout; civil disorder; war; restrictive government regulations; lack of issuance of any permits and/or legal authorization by the governmental entity necessary for Developer to proceed with construction of the Redevelopment Project or any portion thereof, including rezoning; shortage or delay in shipment of material or fuel; acts of God; pandemic or epidemic; or other causes beyond the parties' reasonable control, including but

not limited to, any litigation, court order or judgment resulting from any litigation affecting the validity of this Agreement (each an event of "Force Majeure"), provided that such event of Force Majeure shall not be deemed to exist as to any matter initiated or unreasonably sustained by Developer or the City in bad faith, shall not act to delay any payment obligation under this Agreement, and further provided that the party seeking an extension notifies the other party.

SECTION 18: Entire Agreement and Amendments. The parties hereto stipulate that each has obtained advice and consultation of legal counsel of its own choosing and have not relied upon legal representation or opinions of the other party. All agreements between the parties are expressly set forth herein, and no statements or expressions of the separate parties previously made and not set forth in writing in this document shall be binding upon said party.

The parties agree that this Agreement constitutes the entire agreement between the parties with respect to the subject matter hereof, and that no other such agreements or representations other than those contained in this Agreement have been made by the parties. This Agreement shall be amended only in writing and effective when signed by the authorized agents of the parties.

IN WITNESS WHEREOF, the City and the Developer have caused this Agreement to be executed by their duly authorized officers or manager(s) as of the date set forth below.

"CITY"

CITY OF VILLA GROVE, DOUGLAS COUNTY, ILLINOIS

(SEAL)

By: _____ Date: _____
Cassandra Eversole-Gunter, Mayor

"DEVELOPER"

**LOREN ANDERSON
AF ANTRONICS, INC.**

By: _____ Date: _____
Loren Anderson, Owner

**APPENDIX A
PROJECT LOCATION**

Douglas County PIN:	04-03-10-214-017
Site Address:	2 N Main Villa Grove, IL 61956
Legal Description:	JOHNSTONS ADDN LOT 12 BLK 17

Project Location Map:



EXHIBIT 1
REQUEST FOR PAYMENT OF ELIGIBLE REDEVELOPMENT PROJECT COSTS

REQUEST FOR REIMBURSEMENT PAYMENT FORM

TO: City of Villa Grove
Attn: TIF Administrator
120 N. Main Street
Villa Grove, Illinois, 61956

You are hereby requested and directed to make payment from the TIF #1 Special Allocation Fund for reimbursement of Eligible Redevelopment Project Costs incurred pursuant to the following Redevelopment Agreement:

Name of Agreement Holder/Developer: _____

Date of Request: _____ Request #: _____

Amount Requested: \$ _____

For reimbursement of the following Redevelopment Project Costs:

<u>Vendor</u>	<u>Description of Work Performed</u>	<u>Amount</u>
<u>TOTAL COSTS SUBMITTED:</u>		

***Please attach additional pages, spreadsheets, and other documents as necessary**

****All listed costs must be supported with proof of payment**

ALL REQUESTS MUST INCLUDE ATTACHED CERTIFICATION FORM

REQUEST FOR REIMBURSEMENT CERTIFICATION FORM

The undersigned, on behalf and with the permission of the Developer, hereby states and certifies to the City that:

1. Each item listed herein is a Redevelopment Project Cost and was incurred in connection with the performance of the Redevelopment Project.
2. All real estate and sales taxes attributable to the Property have been paid in full.
3. These Redevelopment Project Costs have been incurred by the Developer and have been paid by the Developer and are payable or reimbursable under the Redevelopment Agreement, **proof of which is attached.**
4. Each item listed above has not previously been paid or reimbursed from moneys in the Special Allocation Fund and no part thereof has been included in any other certificate previously filed with the City.
5. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this requires, except to the extent that any such lien is being contested in good faith.
6. All necessary permits and approvals required for the portion of the Redevelopment Project for which this certificate relates have been issued and are in full force and effect.
7. All work for which payment or reimbursement is requested has been performed in a good and workmanlike manner and in accordance with all obligations and terms of the Agreement.

Signed & Certified: _____

Dated: _____

(Below This Line for City Use Only)

CITY OF VILLA GROVE, ILLINOIS

Date: _____

Approved Payment Amount: \$ _____

Approved By: _____