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ORDINANCE NO. 2008-1

**AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT  
BY AND BETWEEN THE VILLAGE OF BISMARCK, ILLINOIS AND  
STEWART GRAIN CO., INC., IN CONNECTION WITH  
REDEVELOPMENT PROJECT AREA NO. 1**

**WHEREAS**, Stewart Grain Co., Inc. (the "**Developer**"), has submitted a proposal to the Village of Bismarck, Illinois (the "**Municipality**") for redevelopment of a part of the Municipality's Redevelopment Project Area No. 1 (the "**Redevelopment Project Area**"); and, thereafter, the Municipality and the Developer have engaged in negotiations related to a Redevelopment Agreement (including all exhibits and attachments in connection therewith, the "**Redevelopment Agreement**") concerning redevelopment incentives and assistance related to the preservation, development and redevelopment of a part of the Redevelopment Project Area.

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF BISMARCK, VERMILION COUNTY, ILLINOIS, as follows:**

**Section 1. Approval.** The Redevelopment Agreement, in substantially the form thereof presented before the meeting of the President and Board of Trustees at which this ordinance is adopted, shall be and is hereby ratified, confirmed and approved, and the Village President and Village Clerk are authorized to execute and deliver the Redevelopment Agreement for and on behalf of the Municipality; and upon the execution thereof by the Municipality and the Developer, the appropriate officers, agents, attorneys and employees of the Municipality are authorized to take all supplemental actions, including the execution and delivery of related supplemental opinions, certificates, agreements and instruments not inconsistent with the Redevelopment Agreement, desirable or necessary to implement and otherwise give full effect to the Redevelopment Agreement. Upon full execution thereof, the Redevelopment Agreement shall be attached to this ordinance as Exhibit "A", but any failure to so attach shall not abrogate, diminish or impair the effect thereof.

**Section 2. Bid Waiver.** Pursuant to Section 8-9-1 of the Illinois Municipal Code bidding requirements, if any, related to the Redevelopment Agreement and related documents and related contracts entered into or to be entered into shall be and are hereby waived. The Developer shall be responsible for compliance with applicable law related to the Redevelopment Agreement, including without limitation the Prevailing Wage Act.

STATE OF ILLINOIS            )  
COUNTY OF VERMILION       ) SS.  
VILLAGE OF BISMARCK        )

**CERTIFICATION OF ORDINANCE**

I, Bev Madden, do hereby certify that I am the duly selected, qualified and acting Village Clerk of the Village of Bismarck, Vermilion County, Illinois (the “**Municipality**”), and as such official I am the keeper of the records and files of the Municipality and of its President and Board of Trustees (the “**Corporate Authorities**”).

I do further certify that the attached ordinance constitutes a full, true and correct excerpt from the proceedings of the Municipality's Corporate Authorities held on January 15, 2008, insofar as same relates to the adoption of Ordinance No. 2008-1, entitled:

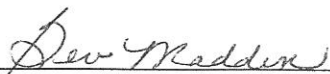
**AN ORDINANCE APPROVING A REDEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF BISMARCK, ILLINOIS AND STEWART GRAIN CO., INC., IN CONNECTION WITH REDEVELOPMENT PROJECT AREA NO. 1,**

a true, correct and complete copy of which ordinance as adopted at such meeting appears in the minutes of such meeting and is hereto attached. Such ordinance was adopted and approved on the date thereon set forth by not less than a affirmative vote of a majority of the Corporate Authorities and approved by the President on the date indicated thereon.

I do further certify that the deliberations of the Corporate Authorities on the adoption of the above ordinance were taken openly, that the vote on the adoption of such ordinance was taken openly and was preceded by a public recital of the nature of the matter being considered and such other information as would inform the public of the business being conducted, that such meeting was held at a specified time and place convenient to the public, that the agenda for the meeting was duly posted at the Village Hall at least 48 hours prior to the meeting, that notice of such meeting was duly given to all of the news media requesting such notice, that such meeting was called and held in strict compliance with the provisions of the Illinois Municipal Code, as amended, and that the Corporate Authorities have complied with all of the applicable provisions of such laws and such Code and their procedural rules in the adoption of such ordinance.

**IN WITNESS WHEREOF**, I hereunto affix my official signature and the seal of the Village of Bismarck, Illinois, this 15 day of January, 2008.

(SEAL)

  
\_\_\_\_\_  
Village Clerk

**Section 3. Effective.** This ordinance shall be in full force and effect in the manner provided by law.

Upon motion by Trustee, Lee High, seconded by Trustee, Mike Pundt, adopted this 15<sup>th</sup> day of January, 2008, by roll call vote, as follows:

AYES (Names): Julie Boersma, Dwayne Gettleman  
Lee High, Mike Pundt Karel  
Volpert

NAYS (Names): -

ABSENT (Names): Eldridge Dolin, Jr

Approved this 15<sup>th</sup> day of January, 2008.

(SEAL)

Eleanor White  
Village President, Village of Bismarck,  
Vermilion County, Illinois

Attest:

Dev Madden  
Village Clerk, Village of Bismarck,  
Vermilion County, Illinois

Recorded in the Municipality's Records on January 15, 2008.

## REDEVELOPMENT AGREEMENT

This Redevelopment Agreement (this "**Agreement**") is entered into this 15th day of January, 2008, by and between the **VILLAGE OF BISMARCK**, an Illinois nonhome rule municipal corporation (the "**Municipality**"), and **STEWART GRAIN CO., INC.** (the "**Developer**").

### P R E A M B L E

**WHEREAS**, the Municipality has the authority to promote health, safety and welfare, including to prevent the spread of blight and deterioration and inadequate public facilities by promoting the development of and private investment in industry, business and housing and enhancing the marketability of property, thereby increasing the tax base of the Municipality and reducing unemployment; and

**WHEREAS**, the Municipality has by a series of ordinances (as supplemented and amended, the "**TIF Ordinances**") undertaken a program and plan of redevelopment of a designated area in the Municipality by the adoption of Tax Increment Financing ("**TIF**") and the adoption, approval and designation of the "Redevelopment Plan and Project Area No. 1" (the "**Redevelopment Plan**"), Redevelopment Project Area No. 1 (the "**Area**") and the related redevelopment project (the "**Redevelopment Project**"), all pursuant to the Tax Increment Allocation Redevelopment Act, Illinois Compiled Statutes, Chapter 65, Section 5/11-74.4-1 *et seq.* (as supplemented and amended, the "**Act**"); and

**WHEREAS**, pursuant to and in furtherance of the Redevelopment Plan, the Developer proposes to develop certain property within the Area (the "**Development Area**") as described in EXHIBIT A, attached hereto and by reference made a part hereof, from which incremental property taxes are expected to be generated (limited solely and only to the Development Area, and not otherwise, the "**Incremental Taxes**," and subject to any intergovernmental transfers required by applicable law, including under Section 11-74.4-3(q)7.6 and 7.7 of the Act); and

**WHEREAS**, the Developer's proposed (i) public facilities ("**Public Facilities**") and/or (ii) private development ("**Private Development**") project ((i) and (ii) collectively, the "**Development Project**") are consistent with the land uses and the Redevelopment Plan and is located in the Development Area, wholly within the Area; and

**WHEREAS**, the Developer has requested that incentives related to the Private Development be provided by the Municipality from incremental property taxes under Section 11-74.4-8 of the Act derived solely from the Development Area (subject to any prior pledge, the "**Incremental Taxes**"), which incentives are consistent with those of the Redevelopment Plan, and are set forth in EXHIBIT A; and

**WHEREAS**, consistent with the Redevelopment Plan and Redevelopment Project the Municipality has the authority under the Act to incur specified redevelopment project costs (as defined in the Act, "**Eligible Redevelopment Project Costs**") and to pay and/or reimburse the Developer for such Eligible Redevelopment Project Costs; and

**WHEREAS**, the Municipality by the TIF Ordinances has determined that all Incremental Taxes in the Redevelopment Project Area are to be allocated to and when collected shall be paid to the City Treasurer for deposit into the Special Tax Allocation Fund for the Area (the "**Fund**") for the purpose of

payment (from the Special Account defined below) of Eligible Redevelopment Project Costs or debt service with respect to obligations issued by the Municipality to finance such Eligible Redevelopment Project Costs; and

**WHEREAS**, the Municipality and the Developer desire to segregate in a special account within the Fund the Incremental Taxes derived from the Development Area, which separate account shall be designated the "**Stewart Grain Co., Inc. Special Account**" (the "**Special Account**"); and

**WHEREAS**, the Municipality has determined that the Development Project requires the incentives requested as set forth in EXHIBIT A and that the Development Project will as a part of the Redevelopment Plan and Redevelopment Project, promote the health, safety and welfare of the Municipality and its citizens by attracting private investment to prevent blight and deterioration and to provide employment and generally to enhance the economy of the Municipality.

**NOW, THEREFORE, THE MUNICIPALITY AND THE DEVELOPER, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH IS HEREBY ACKNOWLEDGED**, agree as follows:

**1. ACQUISITION OF PROPERTY AND CONSTRUCTION OF PROJECT IMPROVEMENTS**

The Developer represents and warrants that it has acquired the interest in the Development Area, as described in EXHIBIT A; and the Development Area is located wholly within the Area.

The Developer shall commence acquisition and construction (which shall include, as applicable, repair, rehabilitation and remodeling of existing facilities) of facilities constituting the Development Project, and complete such acquisition and construction, occupy the property and begin operations as set forth in the timetable in EXHIBIT A.

**2. INCENTIVES**

The Municipality shall pay directly (at the Developer's request) or reimburse the Developer for Eligible Redevelopment Project Costs permitted by the Act from Incremental Taxes (generated solely and only from the Development Area, and not otherwise, as set forth above) and deposited into the Special Account of the Fund but only to the extent of applicable percentage provided for in EXHIBIT A, and only for the term of the Redevelopment Plan or such lesser period as provided in this Agreement.

**3. PAYMENT FOR ELIGIBLE PROJECT COSTS**

Payments to the Developer for Eligible Redevelopment Project Costs shall be made only upon requisitions therefor (each a "**Requisition**") submitted from time to time by the Developer to the Municipality's Village President or Village Treasurer and upon approval of the Village President (or the Village President's designee, as the case may be), and in each case subject to the availability of funds in the Special Account, including, as the case may be, if at all, and not otherwise.

All Requisitions must be accompanied by appropriately supporting documentation, including, as applicable, verified bills or statements of suppliers, contractors, or professionals, lien waivers and contractor affidavits.

The Village President (or designee, as the case may be), shall approve or disapprove a Requisition by written notice to the Developer within five (5) business days after receipt of the Requisition. Approval of a Requisition will not be unreasonably withheld. If a Requisition is disapproved, the reasons for approval 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 as set forth herein for initial submission shall apply to such resubmittals.

The Municipality and the Developer acknowledge that the determination of the qualification of Eligible Redevelopment Project Costs, the Area and the Redevelopment Plan and Project and, therefore, qualification for payment and/or reimbursement under this Agreement are subject to changes made by amendments to the Act, opinions of counsel with experience in connection with TIF and municipal finance, administrative rules, and judicial or other interpretations during the term of this Agreement, and the Municipality has no obligation to the Developer to attempt to modify those decisions but will assist the Developer as to obtaining approval of Eligible Redevelopment Project Costs. The Developer assumes all risks related to qualification of Eligible Redevelopment Project Costs, the Area and the Redevelopment Plan and Redevelopment Project or the Development Project.

#### **4. VERIFICATION OF TAX INCREMENT**

It shall be the sole responsibility of the Developer to provide to the Municipality as requested, the following:

(a) The Illinois Business Identification Number of the business or businesses constituting the Development Project and within the Development Area.

(b) Certified copies of real estate tax bills for the tax year prior to the calendar year of this Agreement, and annually thereafter, certified copies of all paid real estate tax bills for the immediately preceding real estate tax year on each tax parcel constituting the Development Area.

The failure of the Developer to provide any information required in this Agreement shall be considered a material breach of this Agreement and shall be sufficient basis for the Municipality to deny payments under this Agreement to or in respect of the Developer, which payments are expressly conditioned upon the receipt of the foregoing information. Paragraph 6 below shall not apply to any such denial.

#### **5. LIMITED OBLIGATION**

The Municipality's obligations under this Agreement to pay or reimburse the Developer for Eligible Redevelopment Project Costs is a special and limited obligation, to be paid solely from funds on deposit in the Special Account of the Fund, and not otherwise. Any such obligation does not now and shall never constitute an indebtedness of the Municipality within the meaning of any constitutional or statutory provision and shall not constitute or give rise to a pecuniary liability of the Municipality or a charge or lien against the Municipality's general credit, funds, taxing power or otherwise, a condition precedent to the Municipality's execution hereof and to which the Developer hereby irrevocably assents.

#### **6. EVENTS OF DEFAULT AND REMEDIES**

Material failure or delay by either the Municipality or Developer to timely perform any term or provision of this Agreement shall constitute an "event of default" under this Agreement. The party who so

fails or delays must, upon receipt of written notice of the existence of such event of default, immediately commence to cure, correct or remedy such event of default and thereafter proceed with diligence to cure such event of default. The party claiming such event of default shall give written notice of the claimed event of default to the other party specifying the event of default complained of. Except as required to protect against immediate, irreparable harm, the party asserting an event of default may not institute proceedings against the other party until thirty (30) days after having given such notice. If such event of default is cured within such thirty (30) day period, the event of default shall not be deemed to constitute a "default" under this Agreement. If the event of default is one which cannot reasonably be cured within a thirty (30) day period, upon request and with appropriate showings the cure period shall be extended for such time as is reasonably necessary for the curing of the same, so long as there is diligent proceeding to cure such event of default. If such event of default is cured within such extended period, the event shall not be deemed to constitute a default under this Agreement. However, an event of default not cured as provided above shall constitute a default under this Agreement. Except as otherwise expressly provided in this Agreement, any failure or delay by either party in asserting any of its rights or remedies as to any event of default or default shall not operate as a waiver of any such event of default or default of any rights or remedies it may have as a result of such event of default or default.

The sole remedy of the Developer in the event of a default by the Municipality under any of the terms and provisions of this Agreement shall be to institute legal action against the Municipality for specific performance or other appropriate equitable relief. Under no circumstances shall the Municipality be subject to any monetary liability (beyond the available Incremental Taxes) or be liable for damages (compensatory or punitive or otherwise) under the provisions, terms and conditions of this Agreement. Except as to the foregoing, the parties shall have all remedies with respect to this Agreement available under applicable law. Notwithstanding anything herein to the contrary, the Municipality shall be liable for no amount hereunder in excess of Incremental Taxes duly deposited into the Special Account.

#### 7. LIMITED LIABILITY TO OTHERS

Except as otherwise expressly provided herein, the Municipality shall not be obligated to make any payments to any person other than the Developer, nor shall the Municipality be obligated to pay any contractor, subcontractor, mechanic, materialman providing services or materials to the Developer for or in respect of the Development Project.

#### 8. TIME; UNAVOIDABLE DELAY

Time is of the essence of this Agreement. Provided, however, the Developer shall not be deemed in default with respect to any obligations under this Agreement on its part to be performed if the Developer 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 interruption of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, acts caused directly or indirectly by the Municipality (or the Municipality's agents or, employees) or third parties, or any other similar cause beyond the reasonable control of Developer, including but not limited to delays in acquiring interests in or possession of real estate caused by the parties who are contractually obligated to convey and grant to the Developer, for which the Developer shall have a day for day extension for any deadlines hereunder, if such event is claimed in writing delivered within ten (10) days of the occurrence of the event giving rise thereto.

**9. ASSIGNMENT**

The rights and obligations of Developer under this Agreement shall be assignable, in whole and not in part, with (i) not less than 20 business days' (or such lesser notice acceptable to the Municipality) written notice by the Developer to the Municipality and (ii) the written approval of such assignment by the Municipality, including on such reasonable terms and conditions as the Municipality shall require; provided that no such assignment shall be deemed to release the Developer of its obligations to the Municipality under this Agreement unless the written consent of the Municipality to the release of the Developer's obligations is first obtained.

**10. PREPAYMENTS**

The Municipality absolutely reserves the right, prior to the expiration of the term of this Agreement and to the extent lawful, in its sole discretion, to prepay all or any part of its obligations under this Agreement.

**11. WAIVER**

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

**12. SEVERABILITY**

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

**13. 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 (or to such other address as is provided by notice):

**If to the Developer:**  
8217 W. 300 N.  
Williamsport, IN 47993  
Attn: Burt Etchison  
Tel: (765) 986-2254  
Fax: (765) 986-0120  
E-mail: burt@stewartgrain.com

**If to the Municipality:**  
P.O. Box 141  
Bismarck, IL 61814  
Attn: Village President  
Tel: (217) 759-7984  
Fax: (217) 759-8222  
E-mail: BismarckVillage@aol.com



With a copy to:

Tel:  
Fax:  
E-mail

With a copy to:  
Charles D. Mockbee, III, Esq.  
Mockbee Law Office  
711 N. Gilbert Street  
Danville, IL 61832  
Tel: (217) 446-9208  
Fax: (217) 446-6584  
E-mail: mocklaw3@aol.com

**14. SUCCESSORS IN INTEREST**

This Agreement shall be binding upon and inure to the benefit of the Municipality and the Developer to and, subject to Paragraph 9 above, to their respective successors and assigns.

**15. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED**

Neither anything in this Agreement nor any acts of the Municipality and/or the Developer under this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between them. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of any official, officer, agent, employee or attorney of the Municipality, in his or her individual capacity, and neither the members of the Corporate Authorities nor any other official or employee of the Municipality shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out of the execution, delivery and performance of this Agreement, or any failure in that connection.

**16. INDEMNIFICATION**

(A) Except for any claims, suits or actions caused by the intentional or negligent acts of the Municipality or the Municipality's employees, agents, officers or contractors, the Developer, and any person claiming rights hereunder through the Developer, agrees to indemnify and defend (including the payment of the Municipality's attorneys fees and related costs) the Municipality from and against any claims, suits, or actions for death or injury to persons or damage to property or breach of contract or any other claim or demand brought against the Municipality arising from any alleged claims, acts or omissions in connection with the Private Development, the Development Project, the Development Area and this Agreement, whether or not suit is filed.

(B) In order further to induce the Municipality to enter into and accept its obligations and undertakings hereunder and in consideration of the foregoing and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, to the extent lawful, the Developer agrees, as follows:

**(a) Definitions.** As used in this Section, certain additional terms shall have the meanings, as follows:

**"Environmental Laws"** means all applicable laws, governmental rules and regulations of any federal, state, regional or local governmental agency, including, without limitation, all applicable federal, state and local laws, rules and regulations pertaining to air and water quality, hazardous waste, waste disposal and other environmental matters, including, but not limited to, the Clean Air,

Federal Water Pollution Control, Solid Waste Disposal, Resource Conservation and Recovery, Comprehensive Environmental Response, Compensation and Liability, Illinois Environmental Protection and Illinois Responsible Property Transfer Acts and with respect to Hazardous Substance and any Hazardous Substance Activity.

**"Hazardous Substance"** means any substance that is at any time defined or listed in, or otherwise classified pursuant to, any applicable laws or regulations, including, without limitation, the Environmental Laws, as a "hazardous substance," "hazardous material," "hazardous waste," "infectious waste," "toxic substance," "toxic pollutant" or any other formulation intended to define, list or classify substances by reason of deleterious properties such as ignitability, corrosivity, reactivity, carcinogenicity, toxicity, reproductive toxicity or "EP toxicity," including, without limitation, asbestos, polychlorinated biphenyls and also including petroleum products, by-products and wastes, or by-products associated with the extraction, refining or use of petroleum or petroleum products, whether or not so listed or classified in such laws or regulations.

**"Hazardous Substance Activity"** means any actual, proposed or threatened storage, holding, existence, use, release, emission, discharge, generation, processing, abatement, removal, cleanup or detoxification, disposition, handling or transportation of any Hazardous Substance from, under, into or on or in respect of the property subject to this Agreement or the surrounding property, or any other activity or occurrence that causes or would cause such event to exist.

**(b) Representations and Warranties of the Developer.** The Developer represents and warrants to the Municipality that: **(a)** the Developer will be in compliance with all applicable Environmental Laws relating to the Development Area and the use of the property subject to this Agreement; **(b)** except in compliance with all applicable Environmental Laws, the Developer has not engaged in any Hazardous Substance Activity on such property, nor to the best knowledge of the Developer, after due inquiry and investigation, except for (if none, so state): none, has any Hazardous Substance Activity otherwise occurred in violation of any applicable Environmental Laws; **(c)** except for (if none, so state): none, no investigations, inquiries, orders, hearings, actions or other proceedings by or before any governmental agency are pending or, to the best knowledge of the Developer, after due inquiry and investigation, threatened in connection with any Hazardous Substance Activity or alleged Hazardous Substance Activity; **(d)** the use of the property subject to this Agreement for its intended purpose is not expected to result in any Hazardous Substance Activity in violation of any applicable Environmental Laws; **(e)** except for (if none, so state): none, no notice of any order, directive, complaint or other communication, written or oral, has been made or issued by any governmental agency nor has the Developer received a written notice from any other third party alleging the occurrence of any Hazardous Substance Activity in violation of any applicable Environmental Laws or demanding payment or contribution for environmental damage or injury to the Development Area; and **(f)** except for (if none, so state): none, underground storage tanks or underground Hazardous Substance deposits are or were located on the Development Area, except to the extent that any of the foregoing which were located on the property are in process of being removed, remediated or taken out of service in accordance with all applicable Environmental Laws.

**(c) Covenants of the Developer.** The Developer shall at all times it controls all or any part of the Development Area: **(a)** keep and maintain the Development Area in compliance with, and shall not cause or permit such property to be in violation of, any Environmental Laws; **(b)** not engage in or

otherwise permit the occurrence of any Hazardous Substance Activity on the Development Area except in compliance with all applicable Environmental Laws; **(c)** immediately advise the Municipality in writing of **(i)** any and all enforcement, cleanup, removal, mitigation or other governmental or regulatory acts instituted, contemplated or threatened pursuant to any Environmental Laws affecting the Development Area, **(ii)** all claims made or threatened by any third party against the Developer or such property relating to the damage, contribution, cost recovery, compensation, loss or injury resulting from any Hazardous Substance Activity (the matters set forth in clauses (i) and (ii) above hereinafter being referred to as "**Hazardous Materials Claims**"), **(iii)** the Developer's discovery of any occurrence or condition on any real property adjoining or in the vicinity of the Development Area that could cause such property or any part thereof to be the subject of a claim or cause of action under any Environmental Laws, or the Developer's receipt of any notice in connection with the foregoing, and **(iv)** the Developer's discovery of any occurrence or condition on the property subject to this Agreement or any real property adjoining or in the vicinity of the Development Area and such property which could subject the Developer or such property to any restrictions on ownership, occupancy, transferability or use of such property under any Environmental Laws.

**(d) Indemnity.** The Developer (and all parties claiming rights hereunder through the Developer) hereby agrees to indemnify, defend and hold harmless the Municipality from and against any and all claims and liabilities under Environmental Laws. The Developer (and all parties claiming rights hereunder through the Developer) shall pay when due any judgments or claims for damages, penalties or otherwise against the Municipality, and shall assume the burden and expense of defending all suits, administrative proceedings and resolutions of any description with all persons, political subdivisions or governmental agencies arising out of the occurrences set forth in this paragraph. If such payment is not made, the Municipality, at its sole discretion, may file suit against the Developer (and all parties claiming rights hereunder through the Developer) to compel such payment. All funds advanced by the Municipality concerning this paragraph shall bear interest at a rate equal to the published prime rate in The Wall Street Journal plus 4% per annum (in either case, the "**Advance Rate**," which rate may change from day to day) from the date or dates paid until paid by the Developer (and all parties claiming rights hereunder through the Developer).

**(e) Separate Obligation.** The obligations of the Developer (and all parties claiming rights hereunder through the Developer) under this paragraph are independent of, and shall not be measured or affected by, **(i)** any other amounts at any time owing pursuant to this Agreement, **(ii)** any other obligations of the Developer (and all parties claiming rights hereunder through the Developer) hereunder, including to holder(s) of the Note, or any other agreements delivered in connection therewith, whether they relate to compliance with Environmental Laws or the use or discharge of Hazardous Substances or otherwise, **(iii)** the consideration given to any party in order to acquire the property subject to this Agreement, or any portion thereof, **(iv)** the modification, expiration or termination of the Developer's obligations under any other document or instrument relating thereto, or **(v)** the discharge or repayment of any portion of any other obligations.

**(f) Survival.** The Developer's (and all parties claiming rights hereunder through the Developer) obligations hereunder shall survive the assignment, subleasing or other transfer, encumbering or disposition of the property subject to this Agreement. The rights of the Municipality under this Section shall be in addition to any other rights and remedies of such Municipality against the Developer under any other document or instrument now or hereafter executed by the Developer, or

EXHIBIT A

DEVELOPMENT PROJECT

**A. GENERAL NARRATIVE DESCRIPTION OF DEVELOPMENT PROJECT:**

Private Development: a grain elevator and storage facility, and related facilities and improvements at (Address): 222 Holloway Street (P.O. Box 197), in Bismarck, Illinois.

Public Improvements/Infrastructure: None.

(1) Construction (including Renovation, Repair & Remodeling)

a.	Estimated costs	\$898,243
b.	Estimated Eligible Redevelopment Project Costs	\$898,243
c.	Attach site plans or elevations	

(2) Anticipated Incremental Real Estate Taxes

a.	Real Estate Taxes (annual)	\$21,000
b.	City Sales Taxes (annual)	\$ -0-
c.	State Sales Taxes (annual)	\$ -0-

(3) Jobs Created or Retained (full-time equivalents)

Construction: 8 @ 75 days  
Operational: 1

**B. TIMETABLE**

Commence Construction	Spring 2003	Completed 11/15/2003
Complete Construction		Completed
Opening		Completed

**C. OWNER/DEVELOPER-MUNICIPALITY SHARES OF TIF PROCEEDS**

	Owner/Developer*	Municipality
(a) Incremental Taxes	75%	25%
(b) City Sales Tax	0%	100%
(c) State Sales Tax	0%	100%

\*Subject to sufficiency of Estimated Redevelopment Project Costs.

City Initial: *DM*  
Developer Initial: *PC*

at law or in equity (including, without limitation, any right of reimbursement or contribution pursuant to CERCLA), and shall not in any way be deemed a waiver of any of such rights.

**(g) Obligations of the Developer Payable Upon Demand.** All obligations of the Developer hereunder (including (A) above and (h) below) shall be payable on demand, and any amount due and payable hereunder to the Municipality by the Developer (and all parties claiming rights hereunder through the Developer) which is not paid immediately after written demand therefor from the Municipality with a reasonably detailed explanation of the amounts demanded shall bear interest from the date paid at the Advance Rate.

(C) Payment of Costs. The Developer (and all parties claiming rights hereunder (including (A) above) through the Developer) shall pay to the Municipality all costs and expenses (including, without limitation, the reasonable fees and disbursements of counsel) incurred by the Municipality in connection with this paragraph or the enforcement hereof.

(D) Successors and Assigns; Beneficiaries. This paragraph shall be binding upon the Developer (and all parties claiming rights hereunder through the Developer), and its successors and assigns, and shall inure to the benefit of and shall be enforceable by the Municipality, and its successors and assigns.

**IN WITNESS WHEREOF**, the Municipality and the Developer hereto have caused this Agreement to be executed by their duly authorized officers on the above date.

(SEAL)

Attest:

*Dew Madden*  
Village Clerk

**VILLAGE OF BISMARCK, ILLINOIS**  
an Illinois municipal corporation

By: *Eleanor White*  
Village President

Approved:

*Charles D. Mockbee III*  
Village Attorney

**STEWART GRAIN CO., INC., Developer**

By: *Robert E. Stinson*  
Its: *president*

Approved:

\_\_\_\_\_  
Counsel to the Developer

**ELIGIBLE REDEVELOPMENT PROJECT COSTS**

**ALLOCATED AMOUNTS(\$)**

Land Acquisition	\$ _____
Site Preparation	\$ _____
Demolition	\$ _____
Planning and Engineering	\$ _____
Other Professional Fees	\$ _____
Street Improvements	\$ _____
Streetscape Improvements	\$ _____
Utilities	\$ _____
Lighting	\$ _____
Construction Interest	\$ _____
Rehabilitation Renovation/Remodeling	\$898,243
<u>Bin construction, complete with all fixed equipment</u>	
<hr/>	
TOTAL	\$898,243

Tax increment allocations under this Agreement shall continue until all Eligible Redevelopment Project Costs related to the Development Project are paid or for \_\_\_\_ years, whichever comes first. The payment of any Eligible Redevelopment Project Costs is subject to the availability of Incremental Taxes.

**MORTGAGE INTEREST SUBSIDY**

Mortgage Interest Subsidy	\$197,400* See Note 1
x 30% (cost eligible expense)	\$269,473

\* Pursuant to Section 11-74.4-3(q)(11) of the Act, and limited to 30% of Incremental Taxes in each year and to an aggregate limit of 30% of all Redevelopment Project Costs in the Development Area, minus land acquisition.

**TOTAL ELIGIBLE COSTS** **\$197,473**

The incremental taxes attributable to the new grain bin improvement to the elevator will be allocated 75% to Stewart and 25% to the Village; provided however the 75% to Stewart is to be in the form of an interest subsidy limited to 10 years and an aggregate not exceeding 30% of eligible project costs and not exceeding in any one year 30% of Stewart's interest costs incurred for the new improvement loan.

\*Note 1:

Payment Date	Interest	30%
2005	42,325.65	12,698
2006	65,450.89	19,635
2007	72,223.49	21,667
2008	70,000 est	21,000
2009	68,000 est	20,400
2010	66,000 est	20,400
2011	65,000 est	20,400
2012	64,000 est	20,400
2013	63,000 est	20,400
2014	62,000 est	20,400
TOTAL:		197,400

City Initial: *DM*  
 Developer Initial: *EW*

D. INCREMENTAL TAXES

(1) INCREMENTAL TAXES

City Percentage .....	<del>75%</del> 25%	BE
Special Account Percentage .....	25%	75%
Total:	100%	

(2) REAL ESTATE INCREMENTAL TAXES

Projected Total NEW Equalized Assessed Valuation	\$230,000
Less: INITIAL Equalized Assessed Valuation	\$104,179
Projected Incremental increase in EAV	\$125,821
Projected Annual Real Estate Incremental Taxes	\$11,396

(3) SALES TAX (Revenue Analysis)

Total NEW Annual Sales	\$ _____
Less: INITIAL Annual Sales	\$ _____
Increment Annual Sales	\$ _____

E. DEVELOPMENT AREA

(1) DEVELOPER'S INTEREST IN DEVELOPMENT AREA:

(if other than fee ownership, describe and attach lease or other applicable document): Fee Simple

(2) DEVELOPMENT AREA:

Street Address: 222 Holloway Street  
Bismarck, Illinois 61814

Legal Description: See Attached

City Initial: EW  
Developer Initial: \_\_\_\_\_