

INDUSTRIAL PARK
Redevelopment Project Area
Tax Increment Financing (TIF)

REDEVELOPMENT PLAN

Village of Manteno, Illinois

June 15, 2015



Economic Development Resources
St. Louis, Missouri

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SECTION I

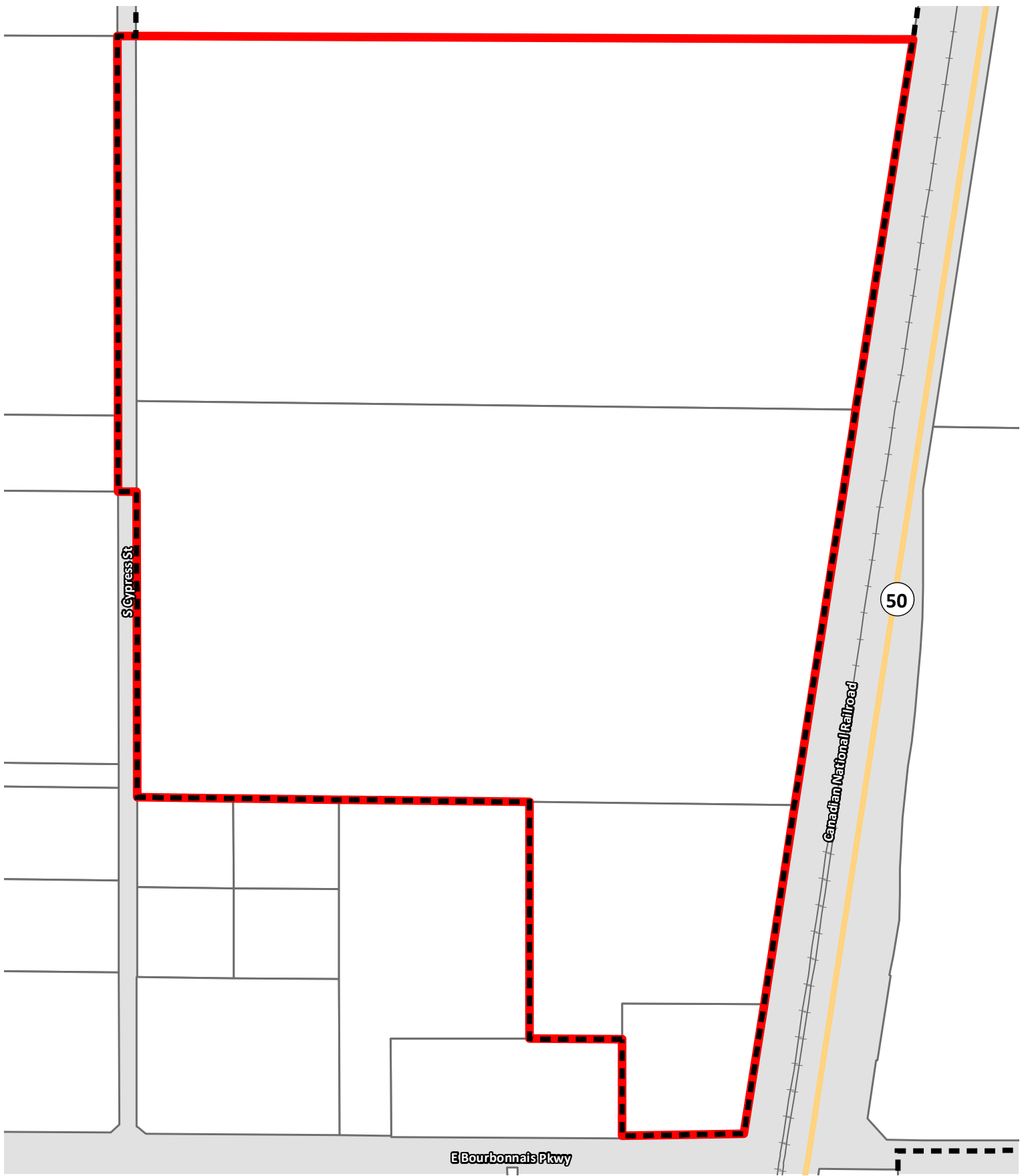
INTRODUCTION

The proposed Manteno Industrial Redevelopment Project Area (the “Area”) contains four parcels, three of which are vacant (and comprise approximately 174 acres) and one of which (approximately eight acres) is improved; all parcels are located within the Village of Manteno (the “Village”), or will be annexed into the Village prior to the adoption of the ordinances establishing Area. The position of this approximately 182 acre Area is illustrated on **Exhibit A – Boundary Map**. The Area is generally bounded on the north by the north property line of parcel 03-02-33-100-003, on the east by Canadian National Railroad, on the south by E. Bourbonnais Pkwy., and on the west by S. Cypress St. The legal description of the Area is attached as **Appendix 1 – Legal Description**.




The Village proposes to use tax increment financing to induce and complement the investment of private capital in the Area. The prospects for private and public investment in the Area are poor without the adoption of this Redevelopment Plan.

The purpose of this Redevelopment Plan is to provide a document which can be used to catalogue the eligibility for tax increment financing of the portion of the Village, to provide a plan of actions and activities to address the conditions found in this portion of the Village, and to assist in the development of the Area in conformance with the Village’s Comprehensive Plan. This Redevelopment Plan also identifies those activities, sources of funds, procedures and various other necessary requirements in order to implement tax increment financing.

The redevelopment projects in the Area will include, generally, privately developed industrial uses and public investment in infrastructure complementary to the private development. Private activities include, but are not limited to: site preparation for, and the construction of, industrial buildings and complementary structures for a new industrial park; public projects that are anticipated for the Area include, but are not limited to, extension of utilities and infrastructure to parts of the Area not currently served, improvements to other utilities and infrastructure now serving the Area, as well as off-site improvements to adjacent roadways necessary for the development of the industrial park.



Industrial Park Redevelopment Project Area
 Tax Increment Financing Redevelopment Plan
 Village of Manteno, Illinois

-  Municipal Boundary
-  Area Boundary
-  Parcel

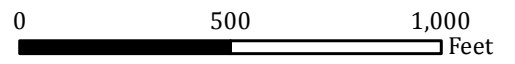


EXHIBIT A Boundary Map

SECTION II

STATUTORY BASIS FOR TAX INCREMENT FINANCING

Tax increment financing was created by the Tax Increment Allocation Redevelopment Act (the "Act"). The Act is found at 65 ILCS 5.11-74.4-1 et seq.

Tax increment financing is a technique intended to be used by municipalities to address and eradicate problems which cause areas to qualify, as "blighted", "conservation", or "industrial park conservation" areas, and to carry out redevelopment projects which serve this end.

The concept behind the tax increment financing law is relatively straightforward and allows a municipality to perform redevelopment activities on a locally controlled basis. Redevelopment which occurs in a designated redevelopment project area will increase the equalized assessed valuation of the property and, thus, generate increased property tax revenues. This increase or "increment" can be used to finance "redevelopment project costs" such as land acquisition, site clearance, building rehabilitation, and the construction or repair of public infrastructure, among others.

The Illinois General Assembly made various findings in adopting the Act. Among them were:

- That there exists in many municipalities within the State blighted, conservation, and industrial park conservation areas; and
- That the eradication of blighted areas and the treatment and improvement of conservation areas by redevelopment projects are essential to the public interest and welfare.

These findings were made on the assumption that in developed areas, the presence of blight and/or conditions which lead to blight are detrimental to the safety, health, welfare and morals of the public, and in vacant areas, impair the sound growth of the taxing districts.

To ensure that the exercise of these powers is proper and in the public interest, the Act specifies certain requirements which must be met before a municipality can proceed with implementing a redevelopment project. One of these requirements is that the municipality must demonstrate that a redevelopment project area qualifies as eligible for tax increment financing. Qualifying portions of the municipality qualify as a "blighted area", "conservation area" or an "industrial park conservation area". The Act provides an enumeration of the factors which qualify property as eligible for the "blight", "conservation", or "industrial park conservation" designation, as well as detailed descriptions of these factors.

SECTION III

MANTENO INDUSTRIAL REDEVELOPMENT PROJECT AREA

A. Boundary Delineation

There are a number of factors that were taken into consideration in determining the boundary of the Area. Established planning guidelines and standards, as described herein, have been followed in the delineation of the Area's boundary, as well as in the preparation of the Manteno Industrial Redevelopment Project Area Tax Increment Financing Redevelopment Plan ("Plan").

Field investigators employed by Economic Development Resources L.L.C. (EDR) conducted research of the Area and environs in order to ascertain the existence and prevalence of blighting factors in the Area. EDR was assisted by information obtained from the Village of Manteno, Kankakee County, and Manteno Township. Based upon these investigations, the eligibility requirements for tax increment financing, the determination of redevelopment needs within the Village, and the location of the various blighting factors found, the boundary of the Area was determined.

The boundary is delineated on **Exhibit A – Boundary Map**. This boundary encloses a portion of the Village which meets the requirements for eligibility as a "Redevelopment project area" as found in the Act.

B. Program Requirements / Findings

The following findings are made with respect to establishing the Area.

1. The Area as a whole meets the statutory requirements as an "industrial park conservation area".
2. The Area exceeds the statutory minimum size of 1.5 acres.
3. The Area is contiguous and is contained within a single perimeter boundary.
4. All properties included in the Area will substantially benefit from being included in the Area.
5. The Area is located within the Village of Manteno, Illinois.
6. The Plan conforms to the Comprehensive Plan for the development of the municipality as a whole.

7. The Area, on the whole, has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed or redeveloped without the adoption of the Plan.
8. The Village is a labor surplus municipality and the implementation of the Plan will reduce unemployment, create new jobs and by the provision of new facilities enhance the tax base of the taxing districts that extend into the Area.

SECTION IV

ELIGIBILITY

A. Introduction

A Redevelopment Project Area, according to the Tax Increment Allocation Redevelopment Act (the “Act”; 65 ILCS 5/11-74.4-1 et. seq.), is that area designated by a municipality (City, Village, or incorporated town) in which the finding is made that there exist conditions which cause the area to be classified as a “blighted area”, “conservation area”, combination of “blighted” and “conservation” areas, or an “Industrial park conservation area”. The proposed Industrial Park Redevelopment Project Area (the “Area”) contains three vacant parcels and one improved parcel within, or to be annexed into, the Village of Manteno (the “Village”). The position of the approximately 182 acre Area is illustrated on **Exhibit A – Boundary Map**. The Area is generally bounded on the north by the north property line of parcel 03-02-33-100-003, on the east by the Canadian National Railroad, on the south by E. Bourbonnais Pkwy., and the west by S. Cypress St.

The properties reviewed for this Study have been found to meet the eligibility requirements as an “Industrial park conservation area” as found in the Act. The criteria and the individual factors that were utilized in conducting the evaluation of the physical conditions in the Area are outlined below.

B. Statutory Qualifications

1. Eligibility of a Blighted Area

“Blighted area” means any improved or vacant area within the boundaries of a redevelopment project area located within the territorial limits of the municipality where, if improved, industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of 5 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the redevelopment project area: dilapidation; obsolescence; deterioration; presence of structures below minimum code standards; illegal use of individual structures; excessive vacancies; lack of ventilation, light, or sanitary facilities; inadequate utilities; excessive land coverage and overcrowding of structures and community facilities; deleterious land use or layout; environmental clean-up; lack of community planning, the total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that

is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated. If vacant, the sound growth of the redevelopment project area is impaired by a combination of 2 or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains: obsolete platting of vacant land that results in parcels of limited or narrow size or configurations of parcels of irregular size or shape that would be difficult to develop on a planned basis and in a manner compatible with contemporary standards and requirements, or platting that failed to create rights-of-ways for streets or alleys or that created inadequate right-of-way widths for streets, alleys, or other public rights-of-way or that omitted easements for public utilities; diversity of ownership of parcels of vacant land sufficient in number to retard or impede the ability to assemble the land for development; tax and special assessment delinquencies exist or the property has been the subject of tax sales under the Property Tax Code within the last 5 years; deterioration of structures or site improvements in neighboring areas adjacent to the vacant land; the area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area; the total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated. Or, if vacant, the sound growth of the redevelopment project area is impaired by one of the following factors that (i) is present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) is reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains: the area consists of one or more unused quarries, mines, or strip mine ponds; the area consists of unused rail yards, rail tracks, or railroad rights-of-way; the area, prior to its designation, is subject to (i) chronic flooding that adversely impacts on real property in the area as certified by a registered professional engineer or appropriate regulatory agency or (ii) surface water that discharges from all or a part of the area and contributes to flooding within the same watershed, but only if the redevelopment project provides for facilities or improvements to contribute to the alleviation of all or part of the flooding; the area consists of an unused or illegal disposal site containing earth, stone, building debris, or similar materials that were removed from construction, demolition, excavation, or dredge sites; prior to November 1, 1999,

the area is not less than 50 nor more than 100 acres and 75% of which is vacant (notwithstanding that the area has been used for commercial agricultural purposes within 5 years prior to the designation of the redevelopment project area), and the area meets at least one of the factors itemized in paragraph (1) of this subsection, the area has been designated as a town or village center by ordinance or comprehensive plan adopted prior to January 1, 1982, and the area has not been developed for that designated purpose; the area qualified as a blighted improved area immediately prior to becoming vacant, unless there has been substantial private investment in the immediately surrounding area.

2. Eligibility of a Conservation Area

A conservation area means any improved area within the boundaries of a redevelopment project area located within the territorial limits of the municipality in which 50% or more of the structures in the area have an age of 35 years or more. Such an area is not yet a blighted area but because of a combination of 3 or more of the following factors is detrimental to the public safety, health, morals or welfare and such an area may become a blighted area: dilapidation; obsolescence; deterioration; presence of structures below minimum code standards; illegal use of individual structures; excessive vacancies; lack of ventilation, light, or sanitary facilities; inadequate utilities; excessive land coverage and overcrowding of structures and community facilities; deleterious land use or layout; lack of community planning; the area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area; the total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years for which information is available.

3. Eligibility of an Industrial Park Conservation Area

“Industrial park conservation area” means an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1½ miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such vacant land.

C. Investigation and Analysis of Blighting Factors

In determining whether or not the Area meets the eligibility requirements of the Act, various methods of research and field surveys were utilized. These included:

1. Review of the national and Kankakee County unemployment rates through the Bureau of Labor Statistics (www.bls.gov) to determine if the Village qualifies as a “labor surplus municipality”;
2. Contacts with individuals knowledgeable as to conditions and history of, and within, this portion of the Village; age of buildings and site improvements; development patterns; real estate matters and related items. Existing information related to public utilities in this portion of the Village was also reviewed, as was information regarding the Village on file with Kankakee County, and Manteno Township;
3. Research of the condition of site improvements, streets, utilities, etc. within the Area;
4. On-site field examination of the conditions within the Area by the staff of Economic Development Resources L.L.C.;
5. Use of the definitions of the factors enumerated in Sections B. 1, 2, and 3, (above) found in 65 ILCS/5-11-74.4-3 et seq.;
6. Review of the findings and determinations established by the Illinois General Assembly in establishing tax increment financing. These include:
 - i. There exists in many Illinois municipalities, areas that are blighted or conservation areas, within the meaning of the TIF statute;
 - ii. The eradication of blighted areas and the treatment of conservation areas by redevelopment projects are essential to the public interest;
 - iii. In order to promote and protect the health, safety, morals and welfare of the public, blighted conditions need to be eradicated and conservation measures instituted; and,
 - iv. To remove and alleviate adverse conditions, it is necessary to encourage private investment by the creation of redevelopment project areas.

To ensure that the exercise of these powers is proper and in the public interest, the Act also specifies certain requirements that must be met before a municipality can proceed with implementing a redevelopment project. To this end, the Village has prepared an analysis of the eligibility of the Area for tax increment financing.

D. Analysis of Conditions in the Area

In making the determination of eligibility of the Area for tax increment financing, it is not required that each and every property or building in such an area be blighted or otherwise qualify. In this determination of eligibility, it is the area as a whole that must be determined to be eligible.

For an improved blighted area, five or more statutory “factors” must be present, with that presence documented to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and reasonably distributed throughout the improved part of the area. For a vacant blighted area, two or more statutory “factors” or one stand-alone “factor” must be present, with that presence documented to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act, and reasonably distributed throughout the vacant part of the redevelopment project area to which it pertains. For a conservation area, the area must be improved and 50% or more of the structures in the Area must be at least 35 years of age and three such “factors” must be present.

The findings, outlined below, demonstrate that the Area is a “industrial park conservation area” as defined in the Act.

E. Review of Qualifications of the Area

The Area is located on the south side of the Village of Manteno, just west of the intersection of State Route 50 and E. Bourbonnais Pkwy. The 182 acre Area consists of four parcels, three of which are vacant, and one of which is improved (see **Exhibit B – Existing Land Use**).

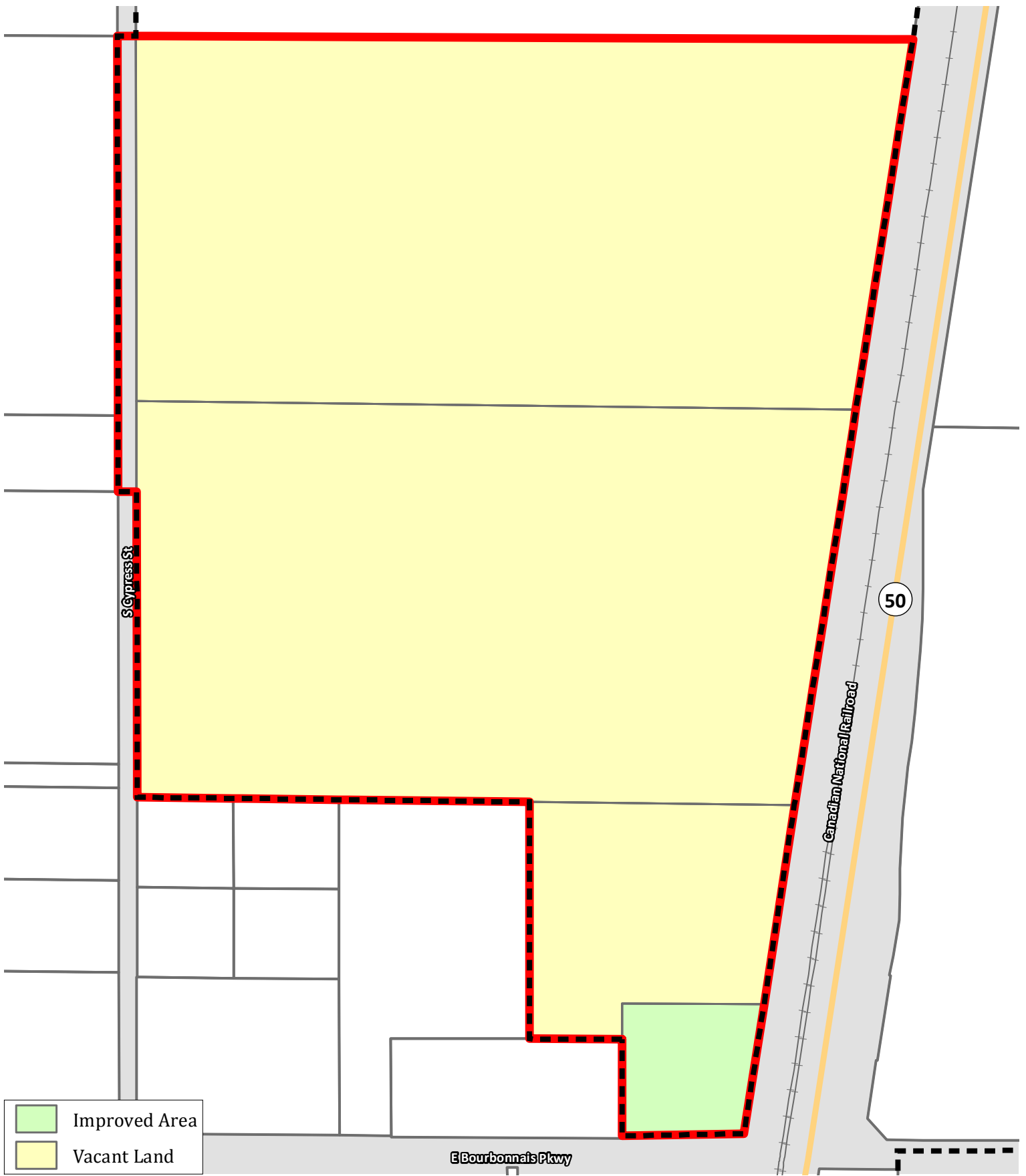
The improved parcel (the “Improved Area”) includes two structures at 1349 E. Bourbonnais Pkwy., comprised of an office building and a control booth.

1. As an “Industrial Park Conservation Area”




An “industrial park conservation area” is an area within the boundaries of a redevelopment project area located within the territorial limits of a municipality that is a labor surplus municipality or within 1 ½ miles of the territorial limits of a municipality that is a labor surplus municipality if the area is annexed to the municipality; which area is zoned as industrial no later than at the time the municipality by ordinance designates the redevelopment project area, and which area includes both vacant land suitable for use as an industrial park and a blighted area or conservation area contiguous to such land.

- **Labor Surplus Municipality:**

Labor Surplus Municipality means a municipality in which, at any time during the six months before the municipality by ordinance designates an industrial park conservation area, the unemployment rate was over 6% and was also 100% or



Industrial Park Redevelopment Project Area
 Tax Increment Financing Redevelopment Plan
 Village of Manteno, Illinois

-  Municipal Boundary
-  Area Boundary
-  Parcel



0 500 1,000
 Feet

EXHIBIT B Existing Land Use

more of the national average unemployment rate for that same time as published in the United States Department of Labor Bureau of Statistics publication entitled “The Employment Situation” or its successor publication. For the purpose of this subsection, if unemployment rate statistics for the municipality are not available, the unemployment rate in the municipality shall be deemed to be the same as the unemployment rate in the principal county in which the municipality is located;

As unemployment rate statistics are not available for the Village, the unemployment rate used for the Village is that of Kankakee County, the principal County in which the Village is located. The Village is, then, a “labor surplus municipality”, as defined in the Act. Data provided by the United States Bureau of Labor Statistics (www.bls.gov) shows that in March 2015, the unemployment rate for Kankakee County was 6.9%. This number is over 6% and is also 100% or more of the national average unemployment rate of 5.6% for the same month. These statistics for March 2015 demonstrate that the Village qualifies as a “labor surplus municipality.”

- **Area Zoned as Industrial:**

The portion of the Area now in the Village is zoned I-2 “Heavy Industrial”; that portion to be annexed to the Village will be zoned I-2 “Heavy Industrial”.

- **Vacant Land Suitable for Use as an Industrial Park:**

The 174 acre portion of the Area is vacant and given its generally flat topography, location adjacent to major arterial roadways (Interstate 57 and State Route 50) and the Canadian National Railroad, is suitable for use by any manufacturing, industrial, research or transportation enterprise, including, but not limited to factories, mills, processing plants, assembly plants, packing plants, fabricating plants, industrial distribution centers, warehouses, repair overhaul or service facilities, freight terminals, research facilities, test facilities or railroad facilities.

F. Review of Qualifications for the Improved Area:

1. As a “Blighted Area”

An improved area may be found to be a “Blighted area” where industrial, commercial, and residential buildings or improvements are detrimental to the public safety, health, or welfare because of a combination of five or more of the following factors, each of which is (i) present, with that presence documented, to a meaningful extent so that a municipality may reasonably find that the factor is clearly present within the intent of the Act and (ii) reasonably distributed throughout the improved part of the Area. Such factors include:

- **Dilapidation:**

An advanced state of disrepair or neglect of necessary repairs to the primary structural components of buildings or improvements in such a combination that a documented building condition analysis determines that major repair is required or the defects are so serious and so extensive that the buildings must be removed;

This factor was not found.

- **Obsolescence:**

The condition or process of falling into disuse. Structures have become ill-suited for the original use;

This factor was not found.

- **Deterioration:**

With respect to buildings, defects including, but not limited to, major defects in the secondary building components such as doors, windows, porches, gutters and downspouts, and fascia. With respect to surface improvements, that the condition of roadways, alleys, curbs, gutters, sidewalks, off-street parking, and surface storage areas evidence deterioration, including, but not limited to, surface cracking, crumbling, potholes, depressions, loose paving material, and weeds protruding through paved surfaces;

Deterioration in surface improvements was identified in the Improved Area, as shown in the overgrown gravel, crumbling pavement, depressions and potholes in the concrete and/or gravel of the parking lot, driveway and storage areas (some with protruding weeds, grass, metal rebar, and unprotected utility connections). There are also numerous rotting and decaying wood building components on the ground within the Improved Area.

- **Presence of Structures Below Minimum Code:**

All structures that do not meet the standards of zoning, subdivision, building, fire, and other governmental codes applicable to property, but not including housing and property maintenance codes;

Field research and information provided by Village officials showed that both structures in the Improved Area were below minimum code standards. Examples of this condition include, but are not limited to:

- Neither structure in the Improved Area displayed address numbers, violating Village building code Section 8-1-10 "Address Numbers"; and,

- The exterior of the main office building at 1349 E. Bourbonnais Pkwy. is sided entirely with metal lap siding, which is a prohibited material, violating Village building code Section 8-1-14(D) “Exterior Wall Covering Materials”.

- **Illegal Use of Individual Structures:**

The use of structures in violation of applicable federal, State, or local laws, exclusive of those applicable to the presence of structures below minimum code standards;

This factor was not found.

- **Excessive Vacancies:**

The presence of buildings that are unoccupied or under-utilized and that represent an adverse influence on the area because of the frequency, extent, or duration of the vacancies;

This factor was not found.

- **Lack of Ventilation, Light, or Sanitary Facilities:**

The absence of adequate ventilation for light or air circulation in spaces or rooms without windows, or that require the removal of dust, odor, gas, smoke, or other noxious airborne materials. Inadequate natural light and ventilation means the absence of skylights or windows for interior spaces or rooms and improper window sizes and amounts by room area to window area ratios. Inadequate sanitary facilities refers to the absence or inadequacy of garbage storage and enclosure, bathroom facilities, hot water and kitchens, and structural inadequacies preventing ingress and egress to and from all rooms and units within a building;

Field research identified inadequate sanitary facilities present in the Improved Area. Examples include the inadequacy of garbage storage and enclosures, as shown in the unenclosed and easily accessed open storage of miscellaneous debris throughout the Improved Area (including rubber mats, plastic storage bins, scrap metal, PVC and metal piping, plastic buckets, used waste tires, bathroom fixtures, 55-gallon petroleum barrels and wooden pallets).

- **Inadequate Utilities:**

Underground and overhead utilities such as storm sewers and storm drainage, sanitary sewers, water lines, and gas, telephone, and electrical services that are shown to be inadequate. Inadequate utilities are those that are: (i) of insufficient capacity to serve the uses in the redevelopment project area, (ii) deteriorated,

antiquated, obsolete, or in disrepair, or (iii) lacking within the redevelopment project are;

Information provided by both Village and County officials shows that there are no storm water sewers, sanitary sewers or water mains in the Improved Area. This lack of such utilities demonstrates the inadequacy of utilities within the Improved Area.

- **Excessive Land Coverage and Overcrowding of Structures and Community Facilities:**

The over-intensive use of property and the crowding of buildings and accessory facilities onto a site. Examples of problem conditions warranting the designation of an area as one exhibiting excessive land coverage are: (i) the presence of buildings either improperly situated on parcels or located on parcels of inadequate size and shape in relation to present-day standards of development for health and safety and (ii) the presence of multiple buildings on a single parcel. For there to be a finding of excessive land coverage, these parcels must exhibit one or more of the following conditions: insufficient provision for light and air within or around buildings, increased threat of spread of fire due to the close proximity of buildings, lack of adequate or proper access to a public right-of-way, lack of reasonably required off-street parking, or inadequate provision for loading and service;

This factor was not found.

- **Deleterious land use or layout:**

The existence of incompatible land-use relationships, buildings occupied by inappropriate mixed-uses, or uses considered to be noxious, offensive, or unsuitable for the surrounding area;

This factor was not found.

- **Environmental clean-up:**

The proposed redevelopment project area has incurred Illinois Environmental Protection Agency or United States Environmental Protection Agency remediation costs for, or a study conducted by an independent consultant recognized as having expertise in environmental remediation has determined a need for, the clean-up of hazardous waste, hazardous substances, or underground storage tanks required by State or federal law, provided that the remediation costs constitute a material impediment to the development or redevelopment of the redevelopment project area;

This factor was not found.

- **Lack of community planning:**

The proposed redevelopment project area was developed prior to or without the benefit or guidance of a community plan. This means that the development occurred prior to the adoption by the municipality of a comprehensive or other community plan or that the plan was not followed at the time of the area's development. This factor must be documented by evidence of adverse or incompatible land-use relationships, inadequate street layout, improper subdivision, parcels of inadequate shape and size to meet contemporary development standards, or other evidence demonstrating an absence of effective community planning.

The Improved Area contains 150 feet of uncontrolled ingress/egress along E. Bourbonnais Pkwy., a roadway used in part by commercial truck traffic. Contemporary development standards require designated driveways for ingress and egress, rather than unrestricted open access, especially in locations shared by passenger and commercial/industrial vehicles.

Lighting, and its location in the Improved Area, also demonstrates a lack of community planning. During site visits in March 2015, there were noticeable areas within the Improved Area which had little, or no, measurable light (as identified by measuring light levels throughout the Improved Area) resulting in portions of the Improved Area having levels of illumination below that recommended by the Illuminating Engineering Society of North America (IESNA) and the Occupational Safety and Health Administration (OSHA). These areas include those surrounding the two structures as well as those areas around rock and dirt piles within the Improved Area.

- **Lack of Growth in Equalized Assessed Value:**

The total equalized assessed value of the proposed redevelopment project area has declined for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated or is increasing at an annual rate that is less than the balance of the municipality for 3 of the last 5 calendar years for which information is available or is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United States Department of Labor or successor agency for 3 of the last 5 calendar years prior to the year in which the redevelopment project area is designated;

Table 1 - Change in Equalized Assessed Value 2009 - 2014 (Improved Area) shows that the total equalized assessed value of the Improved Area is increasing at an annual rate that is less than the Consumer Price Index for All Urban Consumers published by the United State Department of Labor for four of the last five calendar years prior to the year in which the Area is designated.

TABLE 1

CHANGE IN EQUALIZED ASSESSED VALUE 2009-2014

Time Frame	Improved Area	Consumer Price Index (CPI)
Between 2009 and 2010	4.00%	1.64%
Between 2010 and 2011	0.00%	3.16%
Between 2011 and 2012	0.00%	2.07%
Between 2012 and 2013	0.00%	1.46%
Between 2013 and 2014	-44.38%	1.47%

Note: **BOLD** represents the Time Frame where the total equalized assessed value of the Improved Area is increasing at an annual rate that is less than the CPI.

Sources:

- **Kankakee County Assessor**
- **United States Bureau of Labor Statistics**

SECTION V

SUMMARY

This portion of the Village of Manteno is eligible as an “industrial park conservation area” due to the fact that the Village is a “labor surplus municipality”, as defined in the Act, the land within the Area is zoned as industrial, and the Area includes both vacant land suitable for use as an industrial park, and a blighted area contiguous to such vacant land.

As unemployment rate statistics are not available for the Village, the unemployment rate used for the Village is that of Kankakee County, the principal County in which the Village is located. The Village is, then, a “labor surplus municipality”, as defined in the Act. Data provided by the United States Bureau of Labor Statistics (www.bls.gov) shows that in March 2015, the unemployment rate for Kankakee County was 6.9%. This number is over 6% and is also 100% or more of the national average unemployment rate of 5.6% for the same month.

The Area is zoned as industrial, and the vacant land in the Area is suitable for use as an industrial park, given the topography of such land and its location adjacent to major arterial roadways (Interstate 57 and State Route 50) and the Canadian National Railroad.

The Area also contains one improved parcel contiguous to the vacant land. The parcel is a “blighted area” as defined in the Act, due to the fact the buildings or improvements are detrimental to the public safety, health or welfare because of the combination of six blighting factors (deterioration, lack of ventilation, light or sanitary facilities, inadequate utilities, lack of community planning, lack of growth in equalized assessed value) of which all are present to a meaningful extent, clearly present within the intent of the Act and reasonably distributed throughout the improved part of the Area.

SECTION VI

FINDINGS OF NEED FOR TAX INCREMENT FINANCING

The Area, as a whole, is an “industrial park conservation area”. The Act requires that no redevelopment plan shall be adopted without meeting additional requirements, viz:

A. Area, on the Whole, not Subject to Growth and Development Through Investment by Private Enterprise

The Village finds that the Area, on the whole, has not been subject to growth and development through investment by private enterprise.

Despite the excellent location of the Area, adjacent to major arterial roadways (Interstate 57 and State Route 50) and the Canadian National Railroad, it has not been subject to growth and development through investment by private enterprises. This situation can be found in the complete lack of development on more than 170 vacant acres within the area, and the combination of blighting factors within the eight acre developed portion of the Area.

B. Conformance with the Village’s Comprehensive Plan

The Village finds that the Plan conforms to the comprehensive plan for the development of the municipality as a whole.

The *Village of Manteno, Comprehensive Plan (2006)*, identifies the future land use for the Area as “Industrial”.

C. Estimated Dates for Completion of the Redevelopment Project

The estimated date for the completion of the Redevelopment Project shall be no later than December 31 of the year in which payment to the municipal treasurer is made for the ad-valorem taxes levied in the 23rd calendar year after the year in which the ordinance approving the Redevelopment Project Area is adopted by the Village.

D. Would Not Reasonably be Anticipated to be Developed Without the Adoption of the Redevelopment Plan

Given the costs of development within the Area, including but not limited to the costs to prepare the Area for development and remediate blighting conditions found in the Area, as well as the costs of improvements to streets and public utilities adjacent to the Area which improvements are essential to the preparation of the Area for use in accordance with the Plan, and given that there has been no development within the vacant portion of the Area despite its location adjacent to major arterial roadways (Interstate 57 and State Route 50) and the Canadian National Railroad, the Area would not reasonably be anticipated to be developed without the adoption of this Plan.

SECTION VII

REDEVELOPMENT PLAN

A. Introduction

This section presents the Redevelopment Plan for the Area. Pursuant to the Act, when the finding is made that an area qualifies as either conservation, blighted, a combination of conservation and blighted areas, or industrial park conservation area, a redevelopment plan may be prepared. A “Redevelopment plan” is defined in the Act as “the comprehensive program of the municipality for development or redevelopment intended by the payment of redevelopment project costs to reduce or eliminate those conditions the existence of which qualified the redevelopment project area as a ‘blighted area’ or ‘conservation area’ or combination thereof or ‘industrial park conservation area’, and thereby to enhance the tax bases of the taxing districts which extend into the redevelopment project area”.

B. General Land Use Plan

The proposed General Land Use plan for the Area is presented as **Exhibit C – General Land Use**. This General Land Use plan identifies all parcels in the Area as “Industrial”.

C. Objectives

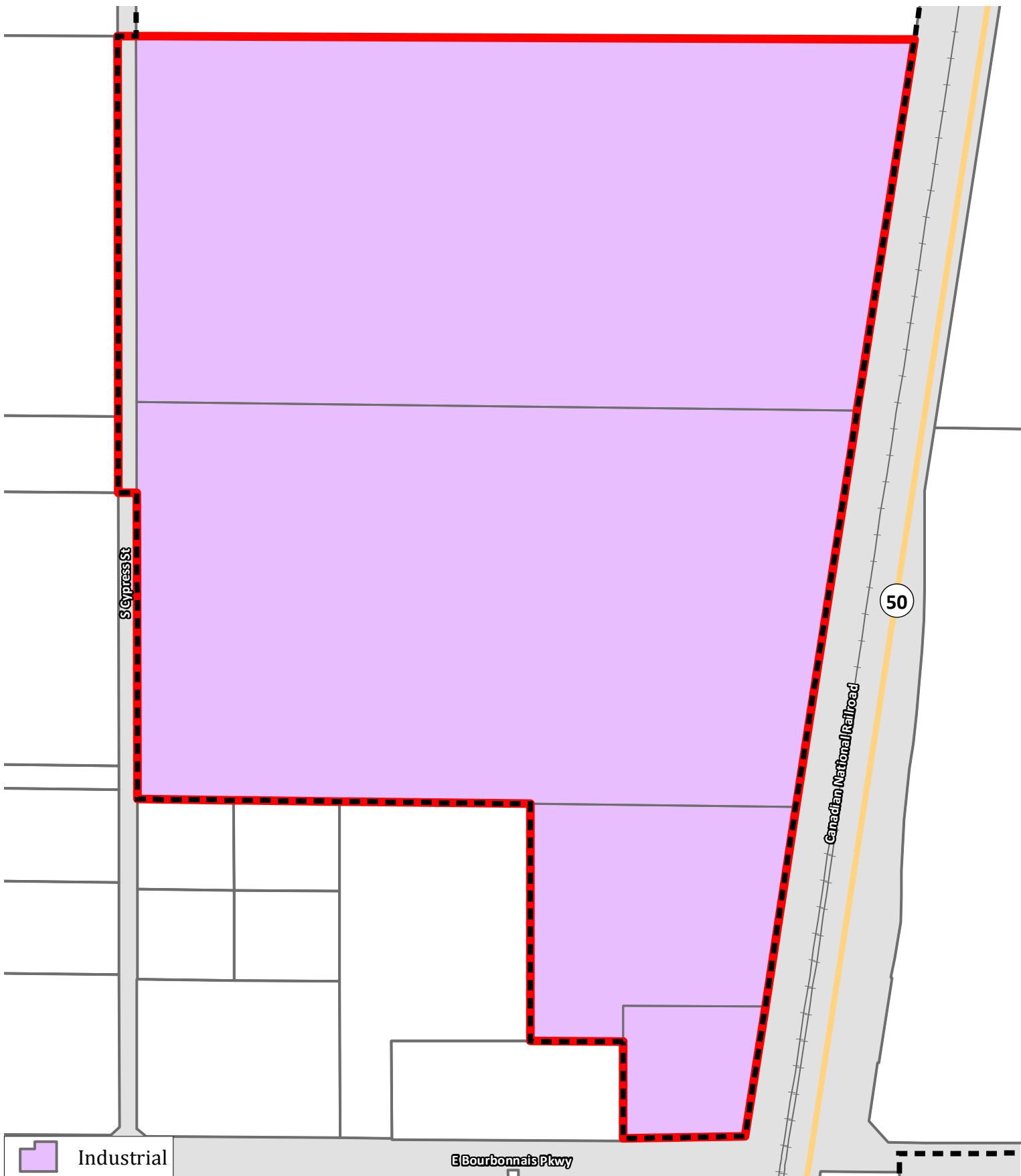
The Objectives of the Redevelopment Plan are to:

1. Reduce or eliminate those conditions which qualify the Area as eligible for tax increment financing;
2. Prevent the recurrence of blighting conditions;
3. Enhance the real estate tax base for the Village and all other taxing districts which extend into the Area; and,
4. Develop this portion of the Village in a manner that is compatible with the *Village of Manteno Comprehensive Plan (2006)*.




D. Program for Accomplishing the Objectives

The Program for accomplishing these Objectives includes:

1. Use TIF-derived revenues to assist the implementation of the Plan;
2. Provide financial assistance, as permitted by the Act, to encourage private developers to develop in the Area;



Industrial Park Redevelopment Project Area
 Tax Increment Financing Redevelopment Plan
 Village of Manteno, Illinois

-  Municipal Boundary
-  Area Boundary
-  Parcel

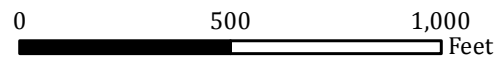


EXHIBIT C General Land Use

3. Use TIF-derived revenues for development of the Area, including clearing and grading of land, and construction of public roads and infrastructure, as well as the use of such revenues for streets and public utilities adjacent to the Area which improvements are essential to the preparation of the Area for use in accordance with the Plan;
4. Monitor the impact of the redevelopment projects on the capital cost needs of the underlying taxing districts
5. Monitor the public and private actions and activities occurring within the Area; and,
6. Complete the specified actions and activities in an expeditious manner, striving to minimize the length of the “life” of the TIF area.

This Program may be amended from time to time as determined by the Village.

E. Redevelopment Projects

To achieve the Objectives proposed in the Plan, a number of redevelopment projects will need to be undertaken. An essential element of the Plan is a combination of private developments, as well as public investments and infrastructure improvements. Such actions and activities may include but are not restricted to the following:

1. Private Redevelopment Projects:

The private projects that are proposed include, but are not limited to:

- a. Site preparation, including but not limited to, site clearance, site grading, utility extension, roadway construction, and rail spur construction to create development-ready sites;
- b. Development of an industrial park within the Area, including, but not limited to construction of approximately 2,000,000 sq. ft. of manufacturing, industrial, distribution, research or transportation related uses, and necessary infrastructure to serve such land; such development may occur in one or more phases and,

2. Public Redevelopment Projects:

Public projects are intended to be used to induce and complement private investment. These projects include, but are not limited to:

- a. Extension and relocation of Village storm and sanitary sewers, and other Village infrastructure, including roads, to parts of the Area not currently served, and reconstruction of such utilities in portions of the Area now served;

- b. Extension and relocation of other public utilities and other public infrastructure, including roads, to parts of the Area not currently served, and reconstruction of such utilities in portions of the Area now served;
- c. Installation, repair, construction, reconstruction or relocation of streets, utilities and site improvements essential to the preparation of the Area for use in accordance with this Plan.

F. Project Description

As the Plan concerns an industrial park conservation area, the Act requires that the Plan also include a general description of any proposed developer, user and tenant of any property, a description of the type, structure and general character of the facilities to be developed, a description of the type, class and number of new employees to be employed in the operation of the facilities to be developed.

1. Description of Any Proposed Developer

Proposed Developer is Manteno 319 Industrial Park LLC., an Illinois corporation formed for the purpose of creating development ready sites within the Industrial Park Redevelopment Project Area.

2. Description of User and Tenant of Any Property

None are know at this time.

3. Description of Type, Structure, and Character of Facilities to be Developed

The type and character of buildings to be developed within the industrial park will be, generally (but are not limited to), one to two story structures, with open space floor plans allowing for the uses permitted in the Village's "I-2 Heavy Industrial" zoning. Such buildings will be constructed of, but are not limited to being constructed of, metal, or concrete, likely with a partial brick façade for any office, or ancillary non-industrial space.

4. Description of Type, Class, and Number of Employees to be Employed

The type of employees to be employed will include, but not be limited to those fabricating and/or assembling manufactured products, loading and unloading goods shipped to and from facilities in the industrial park, operating industrial machinery and vehicles within the facilities, as well as administrative and clerical employees who support the industrial activities occurring in the businesses within the industrial park. The class of jobs at the new Manteno industrial park will include, but are not limited to, operators, fabricators, laborers, engineers, dispatchers, mechanics, drivers, managers, and clerks.

Give the industrial nature of the facilities proposed to be developed within the Area, employment within the Area upon completion of all redevelopment projects is estimated to be between 1,000 and 1,200.

G. Assessment of Financial Impact

The Act requires an assessment of any financial impact of the Area on or any increased demand for services from any taxing district affected by the Plan and any program to address such financial impact or increased demand.

The General Land Use Plan shown in **Exhibit C** provides for industrial activities within the Area. As such, the land uses anticipated in the Area will not result in any residential development or redevelopment. The projects within the Area will not create any new residences, thus limiting the financial impact on the school and library districts.

With regard to the possible impact on the capital costs of the affected taxing districts, the Village will work with such districts in the manner outlined in the Act to review any request pertaining to a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project, and may provide TIF revenues to pay for all or a portion of such costs.

Exhibit D - Estimated Redevelopment Project Costs, summarizes the use of TIF revenues to help address the costs for property assembly, site preparation, and the construction of public works or improvements. Future incremental TIF revenues are proposed for use as a resource for such improvements and their associated costs.

Upon the expiration of the Area, all taxing bodies will benefit from the increase in EAV anticipated within the Area. As this Plan provides for funds to be utilized to pay for defined redevelopment project costs which will assist and induce new private development within the Area, the Village anticipates that such investment may result in new, private development occurring in proximity to the Area. The Village will closely monitor its TIF program to determine if surplus funds are available for distribution to all taxing districts as identified in the Act.

The Act requires a housing impact study to be performed if the redevelopment plan would result in the displacement of residents from ten (10) or more inhabited residential units. The Village has determined that no housing impact study is needed since the Act requires a housing impact study only if residents from ten (10) or more inhabited residential units are displaced or if the redevelopment project area contains 75 or more inhabited residential units.

EXHIBIT D

Estimated Redevelopment Project Costs

<u>Description</u>	<u>Estimated Costs</u>
Cost of studies, surveys, development of plans and specifications, implementation and administration of the redevelopment plan	\$1,000,000
Property assembly costs, including but not limited to acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site preparation, site improvements and the clearing and grading of land	\$10,000,000
Costs of the construction of public works or improvements, including but not limited to public rights-of-way, signalization and extension and relocation of public utilities ¹	\$15,000,000
<u>Total Estimated Budget</u>	\$26,000,000

Expenditures in individual categories may differ from those shown above; however the total amount of the Estimated Redevelopment Project Costs will not exceed \$26,000,000 plus, as permitted by the Act, any additional increase in this figure for all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project, or for interest and any other financing costs as may be required.

¹ Including installation, repair, construction, reconstruction or relocation of streets, utilities and site improvements essential to the preparation of the Area for use in accordance with this Plan

SECTION VIII

IMPLEMENTATION STRATEGY

The development and follow through of a well-devised implementation strategy is a key element in the success of the Plan. In order to maximize program efficiency, and with full consideration of available funds, a phased implementation strategy will be employed. A combination of private investments and public improvements is an essential element of the Plan.

The Village of Manteno anticipates the following actions as its Implementation Strategy:

- Adopt the Plan;
- Create and administer Redevelopment Agreements with private parties to provide TIF revenues for eligible redevelopment project costs, in order to create development consistent with the general land uses shown in this Plan and the Village's Comprehensive Plan; and,
- Provide public infrastructure and other public redevelopment projects to induce and complement private development projects;

A. Estimated Redevelopment Costs

The Village may include as redevelopment project costs, all reasonable costs incurred, or estimated to be incurred, and any costs that are incidental to the redevelopment projects and the Plan as permitted by the statute.

Such costs include, without limitation, the following:

1. Costs of studies, surveys, development of plans, and specifications, implementation and administration of the redevelopment plan.

Such costs shall include, but not be limited to, staff and professional service costs for architectural, engineering, legal, financial, planning or other services.

2. Costs of marketing sites within the redevelopment project area to prospective businesses, developers and investors.

3. Property assembly costs.

Such costs shall include, but not be limited to, acquisition of land and other property, real or personal, or rights or interests therein, demolition of buildings, site

preparations, site improvements that serve as an engineered barrier addressing ground level or below ground environmental contamination, including, but not limited to, parking lots and other concrete or asphalt barriers, and the clearing and grading of land.

4. Costs of rehabilitation, reconstruction or repair or remodeling of existing public or private buildings, fixtures and leasehold improvements.

Such costs shall also include the cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment.

5. Costs of the construction of public works or improvements.

Such redevelopment project costs shall not include the cost of constructing a new municipal public building principally used to provide offices, storage space, or conference facilities or vehicle storage, maintenance, or repair for administrative, public safety, or public works personnel and that is not intended to replace an existing public building.

6. Cost of job training and retraining projects.

Such costs shall include the cost of “welfare to work” programs implemented by businesses located within the redevelopment project area.

7. Financing costs.

Such costs shall include, but not be limited to, all necessary and incidental expenses related to the issuance of obligations and which may include payment of interest on any obligations issued thereunder including interest accruing during the estimated period of construction of any redevelopment project for which such obligations are issued and for not exceeding 36 months thereafter, and including reasonable reserves related thereto.

8. To the extent the municipality by written agreement accepts and approves the same, all or a portion of a taxing district's capital costs resulting from the redevelopment project necessarily incurred or to be incurred within a taxing district in furtherance of the objectives of the redevelopment plan and project.

9. An elementary, secondary, or unit school district's increased costs attributable to assisted housing units located within the redevelopment project area.

Such costs shall be those for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing.

10. A public library district's increased costs attributable to assisted housing units located within the redevelopment project area.

Such costs shall be those for which the developer or redeveloper receives financial assistance through an agreement with the municipality or because the municipality incurs the cost of necessary infrastructure improvements within the boundaries of the assisted housing sites necessary for the completion of that housing.

11. Relocation costs.

To the extent that a municipality determines that relocation costs shall be paid or is required to make payment of relocation costs by federal or state law.

12. Payment in lieu of taxes.

13. Costs of job training, retraining, advanced vocational education or career education.

Such costs shall include, but not be limited to courses in occupational, semi-technical or technical fields leading directly to employment, incurred by one or more taxing districts, provided that such costs (i) are related to the establishment and maintenance of additional job training, advanced vocational education or career education programs for persons employed or to be employed by employers located in a Redevelopment Project Area; and (ii) when incurred by a taxing district or taxing districts other than the municipality, are set forth in a written agreement by or among the municipality and the taxing district or taxing districts, which agreement describes the program to be undertaken, including but not limited to the number of employees to be trained, a description of the training and services to be provided, the number and type of positions available or to be available, itemized costs of the program and sources of funds to pay for same, and the term of the agreement.

14. Interest cost incurred by a redeveloper related to the construction, renovation or rehabilitation of a redevelopment project provided that:

- a. Such costs are to be paid directly from the special tax allocation fund established pursuant to this Act;
- b. Such payments in any one-year may not exceed 30% of the annual interest costs incurred by the redeveloper with regard to the redevelopment project during that year;
- c. If insufficient funds are available in the special tax allocation fund to make the payment pursuant to this paragraph then the amounts so due shall accrue and be payable when sufficient funds are available in the special tax allocation fund;

- d. The total of such interest payments paid pursuant to this Act may not exceed 30% of the total (1) cost paid or incurred by the developer for the redevelopment project plus (ii) redevelopment project costs excluding any property assembly costs and any relocation costs incurred by a municipality pursuant to this Act.
 - e. The cost limits set forth in subparagraphs (b.) and (d.) above are modified for the financing of rehabilitated or new housing units for low-income households and very low-income households, as defined in Section 3 of the Illinois Affordable Housing Act. The percentage of 75% shall be substituted for 30% in subparagraphs (b.) and (d.) above for these situations.
 - f. The municipality may pay from tax increment revenues up to 50% of the cost of new housing units to be occupied by low-income households and very low-income households as defined in Section 3 of the Illinois Affordable Housing Act. The cost of the construction of those units may be derived from the proceeds of bonds issued by the municipality.
- 15. Unless explicitly stated within the Act, the cost of construction of new privately owned buildings shall not be an eligible redevelopment project cost.**
- 16. None of the redevelopment project costs enumerated above shall be eligible redevelopment costs if those costs would provide direct financial support to a retail entity initiating operations in the redevelopment project area while terminating operations at another Illinois location within 10 miles of the redevelopment project area but outside the boundaries of the redevelopment project area municipality.**

The cost estimate associated with the redevelopment activities to be funded from available revenues of the Village as described in **D.**, below, is presented in **Exhibit D - Estimated Redevelopment Project Costs**. The estimate includes reasonable and necessary costs incurred or estimated to be incurred during the implementation of the Redevelopment Plan. These estimated costs are subject to refinement as specific plans and designs are finalized and experience is gained in implementing this Redevelopment Plan and do not include the tax increment financing revenues which will be applied to any interest or other financing costs which are eligible to be funded under the Act. As such, debt service and expenses associated with issuance of bonds or other obligations are in addition to costs stated above.

B. Most Recent Equalized Assessed Valuation

The most recent equalized assessed valuation for the Area is \$99,986 as provided by the Kankakee County Assessor's Office.

C. Redevelopment Valuation

Contingent upon the adoption of this Tax Increment Financing Redevelopment Plan and commitment by the Village to the Redevelopment Program, it is anticipated that private industrial development and improvements, and public investment in infrastructure complementary to the private development, will occur within the Area.

The private development (and public investment) in the Area is expected to increase the equalized assessed valuation to approximately \$20,000,000. Following completion of the private redevelopment projects, total equalized assessed valuation is anticipated to increase by approximately \$19,900,000.

D. Source of Funds

The anticipated source of funds to pay for the redevelopment project costs identified in **Exhibit D, Estimated Budget for Redevelopment Project Costs** associated with implementing the Plan are those funds collected pursuant to tax increment financing to be adopted by the Village. Under such financing, revenue (in the form of real property taxes paid on the increase in the equalized assessed value (EAV) of property in the Area) shall be allocated to a special fund (the "Special Tax Allocation Fund"). The funds deposited to the Special Tax Allocation Fund will be used to pay eligible redevelopment project costs under the Act.

In order to expedite the implementation of the Plan and construction of the public improvements, the Village of Manteno, pursuant to the authority granted to it under the Act, may issue obligations to pay for the redevelopment project costs. These obligations may be secured by future amounts to be collected and allocated to the Special Tax Allocation Fund.

In addition, costs and obligations may be paid for, in whole or in part, by revenues from other funding sources. These may include state and federal programs, revenues from any other tax increment financing area in the Village (which may, pursuant to the Act, provide such revenues to the Area; revenues from the Area may also be provided to other tax increment financing areas in the Village).

E. Nature and Term of Obligation

In order to expedite the implementation of the Plan, the Village of Manteno, pursuant to the authority granted to it under the Act, may issue obligations to pay for the redevelopment project costs. These obligations may be secured by future real property taxes to be deposited into the Special Tax Allocation Fund, as well as other funds identified in **D.**, above which may be deposited in to the Fund. Such obligations may take the form of any type of obligation authorized by the Act.

Such obligations may be issued pursuant to this Plan. The Village anticipates that notes, bonds or similar obligations, if issued, will be secured by revenues in the Special Tax Allocation Fund.

When the redevelopment project costs, including all obligations paying or reimbursing such redevelopment project costs, have been paid, any revenues received in excess of 100% of funds necessary for the payment of principal and interest on the obligations, and not identified for other redevelopment project costs or early retirement of such obligations, may be declared as surplus and become available for distribution annually to the taxing bodies to the extent that this distribution of surplus does not impair the financial feasibility of the redevelopment projects.

F. Completion of Redevelopment Project and Retirement of Obligations

The date for the completion of the Plan and retirement of obligations issued to finance redevelopment project costs is no later than December 31 of the year in which the payment to the municipal treasurer as provided in subsection (b) of Section 11-74.4-8 of the Act is to be made with respect to the ad valorem taxes levied in the 23rd calendar year after the year in which the ordinance approving the redevelopment project area is adopted by the Village.

G. Employment Practices, Affirmative Action and Wages

The Village will ensure that any recipient of tax increment financing assistance will construct all private and public development and redevelopment projects in accordance with all fair employment practices, affirmative action and prevailing wage requirements.

H. Certification

The Village hereby certifies that the Manteno Industrial Park Redevelopment Project Area Tax Increment Financing Redevelopment Plan will not result in displacement of residents from 10 or more inhabited residential units. The Village has determined that no housing impact study is needed since the Act requires a housing impact study only if residents from 10 or more inhabited residential units are displaced or if the redevelopment project area contains 75 or more inhabited residential units.

SECTION IX

AMENDING THE TIF PLAN

The Manteno Industrial Park Redevelopment Project Area Tax Increment Financing Redevelopment Plan may be amended in accordance with the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et. seq.

SECTION X

REPORTING AND MEETING

The Village shall adhere to all reporting and meeting requirements as provided for in the Act.

APPENDICES

APPENDIX 1

Legal Description

[to be provided by the developer]

APPENDIX 2

Annexation Agreement

ANNEXATION AGREEMENT

by and between

VILLAGE OF MANTENO

and

KANKAKEE VALLEY CONSTRUCTION CO., INC.

Return to:

J. DENNIS MAREK
MAREK, MEYER AND COGHLAN, LTD.
One Dearborn Square, Suite 400
Kankakee, IL 60901
Telephone: 815/933-6681
E-Mail: DMarek@amb-ltd.com

**ANNEXATION AGREEMENT BY AND BETWEEN THE VILLAGE OF
MANTENO AND KANKAKEE VALLEY CONSTRUCTION CO., INC.**

THIS ANNEXATION AGREEMENT ("Agreement") is made and entered into this _____ day of June, 2015, by and between KANKAKEE VALLEY CONSTRUCTION CO., INC. ("Owner"), an Illinois corporation and the Village of Manteno, an Illinois municipal corporation, 98 East Third Street, Manteno, Illinois ("Village").

WITNESSETH:

WHEREAS, Owner is the sole record owner of approximately 20.724 acres, more or less, of real property located in unincorporated Kankakee County, Illinois, legally described as follows:

That part of the Southwest Quarter of Section 33, Township 32 North, Range 12 East of the Third Principal Meridian, Kankakee County, Illinois bounded and described as follows: Commencing at the Southwest corner of said Section 33; thence South 89° 48' 46" East, along the South line of said Section 33, 749.48 feet; thence North 00° 00' 00" West, parallel with the West line of said Section 33, 1278.61 feet; thence South 89° 49' 03" East, parallel with the North line of the South Half of the Northwest Quarter of said Section 33, 676.51 feet to the point of beginning; thence South 89° 49' 03" East, parallel with said North line of the South Half of the Northwest Quarter of said Section 33, 941.38 feet to the Westerly right-of-way line of the Illinois Central Gulf Railroad; thence South 08° 52' 18" West along said Westerly line, 734.16 feet; thence North 89° 48' 46" West, parallel with said South line of Section 33, 503.51 feet; thence South 00° 11' 14" West, perpendicular to said South line, 128 feet; thence North 89° 48' 46" West, parallel with said South line, 324.37 feet; and thence North 00° 00' 00" West, parallel with said West line, 852.03 feet to the point of beginning, containing 15.70 acres, more or less,

PIN: (03) 02-33-300-022-0000; and,

That part of the Southwest Quarter of Section 33, Township 32 North, Range 12 East of the Third Principal Meridian, Kankakee County, Illinois bounded and described as follows: Beginning at a point on the South line of said Southwest Quarter, which point is 1,748.80 feet East from the Southwest corner of said Southwest Quarter and running; thence North, perpendicular to said South line, 553.00 feet; thence East, parallel with said South line 503.51 feet to the Westerly right-of-way line of the Illinois Central Gulf Railroad; thence Southwesterly, along said Westerly line, 559.41 feet to a point on said South line, which point is 419.04 feet East from the Point of beginning; and thence West, along said South line, 419.04 feet to the point of beginning, containing 5.86 acres of land, more or less,

PIN: (03) 02-33-300-008-0000; and,

EXCEPTING:

That part of the Southwest Quarter of Section 33, Township 32 North, Range 12 East of the Third Principal Meridian, Kankakee County, Illinois, with bearings and grid distances referenced to the Illinois State Plane Coordinate System, East Zone NAD 83 (2007 ADJ) described as follows:

Commencing at the southwest corner of said Section 33 per Monument Record recorded as Document No. 9701012 in the Kankakee County Recorder's Office; thence North 89 degrees 11 minutes, 11 seconds East 1,748.80 feet on the south line of said Southwest Quarter to the POINT OF BEGINNING; thence North 00 degrees 48 minutes 49 seconds West 81.36 feet; thence North 88 degrees 03 minutes 08 seconds East 432.61 feet to the westerly right-of-way line of the Illinois Central Railroad; thence South 07 degrees 52 minutes 44 seconds West 90.97 feet on said westerly right-of-way line to said south line of Southwest Quarter; thence South 89 degrees 11 minutes 11 seconds West 418.78 feet on said south line to the POINT OF BEGINNING, containing 0.836 acre, more or less, of which 0.290 acre (areas based on ground distance), is within the existing right-of-way; situated in County of Kankakee and State of Illinois,

Affects PINs: (03) 02-33-300-022-0000 and (03) 02-33-300-008-0000;

which parcels are identified hereinafter as the "Territory"; and

WHEREAS, no electors reside on the Territory; and

WHEREAS, Owner desires to annex the Territory to the Village under the terms and conditions of this Agreement; and

WHEREAS, Owner has submitted applications to the Village for annexation and zoning approval for the Territory, and for the issuance of a special use permit consistent with Owner's current operations; and

WHEREAS, upon due notice and advertisement as provided by law, the Planning Commission has held such public hearings on the aforesaid applications as are required by law, and after due deliberation thereon and the receipt of public comment with respect thereto, has made determinations and findings of fact with respect to the aforesaid application to the extent required by applicable law and the ordinances of the Village; and

WHEREAS, the Plan Commission has recommended to the Village that the Territory be zoned I-2 Industrial District and that a special use permit be issued for an asphalt plant; and

WHEREAS, the "Corporate Authorities" of the Village have received recommendations of the Planning Commission of the Village with respect to the aforesaid applications, and in connection therewith have held a public hearing on said proposed annexation agreement as

required by Article 11 Division 15.1 of the Illinois Municipal Code (65 ILCS 5/11-15.1-1 et seq.); and

WHEREAS, due notice as required by Section 1 of Article 7, Division 1 of the Illinois Municipal Code (65 ILCS 5/7-1-1) has been sent to all the trustees of all fire protection and public library districts having jurisdiction over the Territory (with an affidavit attesting to such notice having been duly recorded with the Kankakee County Recorder of Deeds), the Township Commissioner of Highways and Town Board of Trustees of all townships having jurisdiction over highways presently located within the Territory, the election authorities having jurisdiction over the Territory, and the branches of the United States Post Office serving the Territory; and

WHEREAS, Owner is legally authorized to enter into this Agreement with the Village and to perform its undertakings and covenants set forth therein; and

WHEREAS, the Corporate Authorities of the Village have considered the annexation of the Territory, and determine the same to be in the best interest of the public welfare provided the Territory is used and developed under and pursuant to the terms and conditions set forth in this Agreement.

NOW, THEREFORE, in consideration of the covenants and promises hereinafter contained, it is agreed by the parties as follows:

Section 1. Preamble. The recitals set forth in the preamble are incorporated and made a part of this Agreement.

Section 2. Governing Law. This Agreement is made in accordance with the provisions of 65 ILCS 5/11-15.1-1, *et seq.*

Section 3. Definitions. Unless the context hereof clearly indicates otherwise, the words, terms and phrases defined in this section, as well as their derivations, whether capitalized or not, shall have the same meanings for all purposes of this Agreement. In addition, in all cases the singular includes the plural, the plural includes the singular and a reference to any gender includes both genders and the neuter, as the case may be.

Applicable Law means any federal, state, county or local law, statute, ordinance, including those codified in the Village Code, and such other rules, regulations, orders and decrees of any courts or administrative bodies or tribunals, order or determination of any governmental authority, or any recorded restrictive covenant or deed restriction, that in any manner affects or governs the Territory, its use or development.

Agreement means this Annexation Agreement between the Village and Owner.

Corporate Authorities means the President and Board of Trustees of the Village of Manteno.

Development or any derivation thereof shall mean any change of use from the Owner's

current business operations any grading, excavating, environmental remediation, or construction upon the Territory as may be required by Applicable Law, in association with the demolition of existing improvements or construction of new improvements, but excluding normal and customary repairs of existing improvements on the Territory as of the date of this Agreement.

Effective Date means the date identified in the introductory paragraph of this Agreement.

Event Occurrence shall mean (a) the sale or transfer of the Territory except to an entity owned or controlled by Owner, or (b) the initiation of development on the Territory.

Owner means Kankakee Valley Construction Co., Inc., and its respective successors and assigns.

Party means the Village or Owner.

Parties mean Village and Owner.

Permits means, without limitation, all permits, consents, approvals, authorizations, zoning relief of whatever kind or nature, certificates and approvals required by Applicable Law from all governmental bodies with jurisdiction over the Territory, or uses employed thereon, utility companies and insurance rating agencies which are or may be required for the planning, design, construction, completion, use and occupancy of the Territory, including licenses.

Person means any individual, corporation, partnership, limited liability company, joint venture, association, trust, or government or any agency or political subdivision thereof, or any agency or entity created or existing under the compact clause of the United States Constitution.

Public Property means any real property owned or held in trust by the Village for the public including, but not limited to, easements, rights-of-way, and improvements on, through, and under said real property.

Territory means the real property legally described in Exhibit "A."

Village means the Village of Manteno, its successors and assigns.

Village Code means the Manteno Municipal Code.

Village Expenses means any and all costs, fees and expenses incurred by the Village as a result of staff time and professional and technical consultant services, including without limitation all legal, engineering, design/planning review, administration costs and expenses associated with the review, processing, negotiation, and development of documentation and data, plans, specifications, drawings and other information pertaining to the Territory, the development of the Territory, and the management and supervision of the development of the Territory.

Work means all labor and services of whatever kind or nature in any manner related to or arising out of the development of the Territory.

Zoning Ordinance means Title 9, Zoning, of the Village Code.

Section 4. Annexation. Owner has filed with the Village Clerk a duly executed Petition to annex the Territory to the corporate limits of the Village pursuant to and in accordance with the provisions of Article 7, Territory, Division 1, Annexation, of the Illinois Municipal Code, and the Village shall thereafter, at the same meeting this Agreement is approved by the Village, annex the Territory, which is currently contiguous to the corporate boundaries of the Village. The Village shall promptly record and file copies of the Annexation Ordinance and Plat of Annexation with the offices of the Kankakee County Recorder and Kankakee County Clerk. The Owner shall not be charged any fee in association with its petition for annexation.

Section 5. Zoning. Upon annexation, the Village shall adopt such ordinances as may be appropriate to cause the Territory to be zoned I-2 Heavy Industrial. The Territory is being annexed to the Village with no zoning variances, but a special use permit for an asphalt plant will be authorized to allow Owner's current business operations to continue. The Territory will be developed and used in conformance with the I-2 Heavy Industrial District, special use permit, Applicable Law, and the provisions of this Agreement. The Owner shall not apply to the County of Kankakee for any changes in zoning or special uses without the Village's written consent prior to annexation. Upon annexation, and thereafter through the term of this Agreement, the Village shall not be required to approve or grant any changes in zoning, or any other special use permits. Owner shall not be charged any fees in association with its application for zoning and special use hereinbefore referenced; however, Owner shall be responsible for all costs associated with giving notices of said zoning and special use applications and hearings as required by Applicable Law.

Section 6. Development Process. Any Development of the Territory shall be initiated, prosecuted and completed in conformance with the procedural and substantive provisions of the Village Code including, without limitation, the provisions of Title 10, Subdivisions, as amended from time to time.

Section 7. Site Improvement. The Owner shall not seek building permits for the development of the Territory until the Village has approved site improvement plans for the area to be developed. Such site improvement plans shall conform to the Village Code regarding construction and design standards in effect at the time approval is sought. Unless otherwise specified in this Agreement, construction activities on the Territory, including construction activities that do not qualify as development under this Agreement, shall at all times be subject to the Village's prior approval and shall comply with Applicable Law then in effect, be pursued and completed in a good and workmanlike manner, and not initiated unless Owner has obtained all requisite permits required by the Village or such other governmental authorities with jurisdiction over the Territory or the specific activity.

Section 8. Utilities; Generally.

8.1. The Territory shall not receive sanitary sewer and storm sewer service from the Village until annexed. The Village is not guaranteeing the availability of utility service, although it shall be provided if it is available and such system has sufficient capacity to service the Territory. It is recognized that the Village has sold the potable water system to a private company.

8.2. The Owner shall not be required to connect to, install or service the Territory with water mains, sanitary sewer mains, or storm water mains and other improvements, until Development.

8.3. Upon initiation and as a condition of Development, the Owner shall, at its sole cost and expense, secure and provide all required utility easements and shall construct all sanitary and storm sewer and potable water lines necessary to extend such services to, within and through the Territory in accordance with the terms and conditions of this Agreement, the Village Code, and any site improvement plans approved by the Village, and within separate easements. In connection therewith, the Owner shall be responsible for bringing, extending and constructing public sanitary sewer main off-site to and through the Territory within the thirty foot (30') sanitary sewer easement to be located within the east fifty feet (50') of the Territory as described in Section 8.3 hereof, subject to the terms of this Agreement and rights of recapture. Further, the Owner shall be responsible for bringing, extending and constructing a potable water main off-site to and through the Territory from the south boundary of the Territory to the north boundary of the Territory within such easement as is mutually determined by Aqua Illinois and Owner, subject to the terms of this Agreement and rights of recapture.

8.4. Upon Development, the Owner shall dedicate to the Village a thirty foot (30') sanitary sewer easement located within the east one hundred feet (100') of the Territory along the easterly property line of the Territory from the south boundary of the Territory to the north boundary of the Territory.

8.5. All public lift stations, sanitary sewer mains, and storm mains shall be conveyed to the Village by bill of sale upon acceptance by Village.

8.6. All public sanitary sewer improvements shall be located in sanitary sewer easements and all public storm mains shall be located in storm water easements.

8.7. Owner shall own and be responsible for the maintenance of private sanitary, water and storm improvements located on the Territory, including storm water management areas.

8.8. Owner shall be responsible for any and all inspection and/or tap on fees then in effect when connecting to existing utility mains.

8.9. All electric, telephone, and cable lines within and serving the Territory exclusively shall be installed underground, unless geological or technological conditions

preclude such installation. Notwithstanding the foregoing, temporary overhead facilities to serve that part of the Territory being developed may be used until final occupancy permits are issued.

Section 9. Sanitary Sewer Service.

9.1. Owner shall not be required to extend and provide sanitary sewer service to the Territory until Developed. Owner shall, contemporaneous with the Development of any portion of the Territory, provide and extend a gravity sanitary sewer main interceptor sufficient to service the Territory and the property legally described in Exhibit "B" from the current location of the Village's sanitary sewer system facilities at Amberstone, through the northern boundary of the Territory, and within the sanitary sewer easement located along the eastern property line of the Territory and the property legally described in Exhibit "B," in accordance with Applicable Law, and/or according to any site improvement plans approved by the Village.

9.2. In lieu of the construction and installation of a gravity main interceptor to and through the northeast corner of the Territory, Owner shall be allowed to construct a lift station and force main to service the Territory within the sanitary sewer easement. The lift station shall have the capacity to serve, and be located in an area so as to be convenient to take, sanitary sewerage from the whole Territory and the land legally described in Exhibit "B" which shall connect to the lift station by gravity mains. The construction of a lift station shall not alleviate Owner of the obligation to install a gravity sanitary sewer main interceptor from the lift station through the south boundary of the Territory at the time of development, if requested by the Village.

9.3. In the event the Village asks Owner to increase the capacity of the lift station, or up-size the diameter of any public sanitary sewer main to a size that is greater than necessary to service the Territory and the property described in Exhibit B, the Owner shall do so, provided the Village agrees to pay the difference in the costs of increasing the capacity of said lift station or the upsizing, or enters into a recapture agreement with Owner to recapture the difference in the costs which are incurred as a result thereof from third-parties as their benefitted properties are annexed or developed. Any such requests for increased capacity or upsizing shall be in writing, signed by the Owner and Village, and shall identify the sizing/capacity/cost differential in writing. For purposes of the upsizing of pipes, "necessary to service the development" shall mean a pipe of the greatest diameter that: 1) has sufficient capacity to service the entire Territory and the property legally described in Exhibit "B" when completely developed assuming the most sewerage intense uses in the I-2 Heavy Industrial District; 2) the largest minimum size diameter pipe required by the IEPA or Village Code; or 3) the largest diameter pipes necessary to service the entire Territory and property legally described in Exhibit "B" for access by users therefrom, and with sufficient ground cover as required by Applicable Law.

9.4. The Owner shall be required to connect to the Village's sanitary system at the time of Development.

9.5. It shall be the responsibility of Owner to obtain sanitary sewer easements which may be necessary to extend existing sanitary sewers located off-site to the Territory line of the Territory. The Village shall assist Owner in acquiring any easement that may be necessary

to extend sanitary sewer lines to the Territory, provided, Owner shall be responsible for all Village Expenses incurred, including attorney's fees, the expense of acquiring said easements, and any closing costs, whether or not incurred as result of eminent domain proceedings or otherwise.

Section 10. Water Service.

10.1. Owner shall not be required to extend and provide water service to the Territory until Development. Owner shall, contemporaneous with the development of any part of the Territory, provide any and all water mains necessary to service the Territory in accordance with the ordinances of the Village of Manteno, and according to any site improvement plans approved by the Village. Owner shall obtain the approval of Aqua Illinois before tapping into existing water mains that may be necessary for service to the Territory. Owner shall comply with all requests of Aqua Illinois relative to the location and sizing of water mains to and through the Territory.

10.2. Owner shall be required to obtain and provide to Aqua Illinois any and all easements which may be deemed necessary in order to extend water mains to and through the Territory. The Village shall assist Owner in acquiring any easement that may be necessary to extent water mains to the Territory, provided, Owner shall be responsible for all Village Expenses incurred, including attorney's fees, the expense of acquiring said easements, and any closing costs, whether or not incurred as result of eminent domain proceedings or otherwise.

10.3. Once water mains are extended, the Owner shall have access to said mains under the conditions and upon the approval of Aqua Illinois. Any Owner developing any part of the Territory shall be required to connect to the water system at the time of development of his part.

Section 11. Storm Service and Management.

11.1. Owner shall not be required to provide storm sewer improvements to service to the Territory until Development. Owner shall provide storm sewer improvement to any portion of the Territory that is developed in accordance with Applicable Law, and according to any site improvement plans approved by the Village.

11.2. It shall be the responsibility of Owner to obtain storm water easements which may be necessary to extend existing storm sewers located off-site to the Territory line of the Territory.

11.3. Upon Development, Owner shall construct such storm water management area(s) of such size, depth and shape that meets the approval of the Village, as approved in the site improvement plans. All storm water management areas shall meet the requirements of Title 10, Subdivision Ordinance, Chapter 10, Storm Water Management, and shall be owned and maintained by the Owner of that part of the Territory so developed. Such areas shall be maintained in accordance with Applicable Law. The Village shall approve regional stormwater

management areas within the Territory. Any regional stormwater management areas shall be owned and maintained by the Owner.

11.4. Notwithstanding the forgoing, Owner shall not be entitled to recapture the cost of extending storm sewer improvements to the Territory from the Owner of those parcels located north of the Territory identified as the Nymeyer Parcel and Langlois Parcel.

Section 12. Streets, Road Right-of-Way, and Sidewalks.

12.1. Owner shall be permitted to plat, install, and construct private streets and roadways on the Territory, but only as allowed by the Village, which it may deny in its reasonable discretion based on generally accepted engineering and planning practices and principles as authorized in the Village Code. In the event the Village does permit Owner to plat, install and construct private streets and roadways, the Owner shall, at the request of the Village, enter into an agreement with the Village authorizing the Village to enforce the Illinois Vehicle Code, Municipal traffic ordinances and other ordinances in such areas.

12.2. All streets, road right-of-way, and sidewalks that Owner is required to install or improve pursuant to the terms of this Agreement, the Village Code, and/or at the request of Kankakee County or the State of Illinois, shall be located within public rights-of-way which have or will be dedicated by the recording of plats of subdivision or plats of dedication or when, in accordance with good planning standards, may be located within easements created by plats of subdivision, or grants of easement which are recorded prior to the acceptance of said public improvements.

12.3. All curb-cuts, improvements, right-of-way connections, improvements, traffic control requirements and roadway issues shall be subject to review and approval of authorities having jurisdictional control over adjacent roadways.

12.4. In connection with the development of County Road 6000 North, which lies duly to the south of the Territory and the proposed development of an interchange, I-57 due west of the Territory, it will become impossible for vehicles exiting the Territory to exit to the east, or to turn into the property when headed east with the existing entrance to the property. Owner may construct an interior road on the Territory to the east of and in substitution to the present entrance to allow turns by vehicles entering and exiting the premises can be made. The cost of creation and construction of the roadway shall be borne by the Owner. If there is a need for any type of fee for a construction permit, the Village agrees to waive such costs. Since this is a private roadway there shall be no requirement to provide sidewalks on said newly created lot. Owner shall have no obligation to pay for any off site roadway or roadway related improvements in conjunction with the improvement other than what may be required by the governmental bodies or agencies other than the Village.

Section 13. Construction of Public Improvements on Public Property. The Construction of public improvements on or within public property, including the easement described in paragraph 8.3, shall conform to the following:

13.1. Prior to the issuance of any Permits, the Owner shall furnish to the Village, for the Village's benefit, a copy of a performance bond and labor and material bond from a bond surety company carrying an A.M. Best financial rating of at least A, and an FSC of X, in the penal amount equal to the cost of the construction of public improvements. The Owner shall require the attorney in fact who executes the required bonds on behalf of the surety to affix thereto a certified and current copy of the power of attorney. Such bonds shall be in the form of American Institute of Architect's Document A-311 or a similar form worded exactly the same as Doc. A-311.

13.2. The performance and labor and material bonds shall specify that the Owner, and surety agree that all undertakings, covenants, terms, conditions and understandings of this Agreement, Village-approved submissions and Construction Contracts will be performed and fulfilled and to pay all Persons having contracts with the Owner and Contractors, all just claims due them under the provisions of such documents, on account which the bond is given, when such claims are not satisfied out of the price of such documents. The performance and labor and material payment bond shall be dated no later than thirty (30) days prior to commencement of construction. The bonds shall be maintained by the Owner and shall remain in full force and effect until ninety (90) days following the completion of construction or final payment of Contractors, whichever occurs later. The Owner shall agree and shall cause the surety and Contractors to agree to be bound by each and every provision of the Agreement, Village-approved submissions, Construction Contracts and Applicable Law.

13.3. If at any time the Village, in its reasonable determination, becomes dissatisfied with any surety or sureties then upon the bonds, or for any other reason such bonds shall cease to be adequate security, the Owner shall, within five (5) days after notice to do so which details the basis for the Village's dissatisfaction, substitute acceptable bonds in such forms and sum and signed by such other sureties as may be satisfactory to the Village.

13.4. In the event the surety will make any assignment for the benefit of creditors or commit any act of bankruptcy, or if it shall be declared bankrupt or if it shall file a voluntary petition in bankruptcy or shall in the opinion of the Village or be insolvent, the Owner shall agree forthwith upon request of the Village to furnish and maintain other corporate Surety with respect to such bonds satisfactory to the Village.

13.5. The failure of the Owner to require, maintain, and supply the required bonds in the manner and time provided above shall constitute an event of default under this Agreement.

13.6. Owner shall ensure that the labor and material payment bond specifies that Contractors and Surety agree that an amount not less than the prevailing rate of wages as established by Department of Labor applicable in Kankakee County or determined by the court on review shall be paid to all laborers, workers and mechanics performing work under this Agreement or Contract Construction Contracts.

13.7. The Owner warrants that it is familiar with and they shall comply with Applicable Laws which in any manner apply or affect the performance of construction on the Territory or Construction Contracts including without limitation workmen's compensation laws,

minimum salary and wage statutes and regulations, laws with respect to permits and licenses and fees in connection therewith, and laws regarding maximum working hours. Additionally, Owner warrants that it shall comply with any amendments to such Applicable Laws that are enacted thereafter during construction. To the extent that there are any violations of any Applicable Laws, Owner shall be responsible for indemnifying and holding the Village free and harmless from all costs, fees and expenses incurred, directly or indirectly and including without limitation attorneys' fees, by the Village in responding to and complying with demands made by any of the governmental departments/agencies and/or the courts, or an aggrieved employee. No plea of misunderstanding or ignorance thereof will be considered. Whenever required or upon the request of the Village, the Owner shall furnish the Village with satisfactory proof of compliance with Applicable Laws.

13.8. Owner shall carefully examine the Occupational Safety and Health Act of 1970, published in May 1971, as issued by the Federal Register (OSHA), and the specific regulations governing procedures, techniques, safety precautions, equipment design, and the configuration of the same as required thereunder, and the Owner agrees to comply with all terms of OSHA and to perform and complete in a workmanlike manner all work required in full compliance with said Act. The Owner is responsible to comply with OSHA and its regulations as amended in performing any work on the public property.

13.9. The Owner shall comply with the non-discrimination federal, state and local laws, including without limitation: Equal Employment Opportunities Act, American with Disabilities Act and Human Rights Act. The Owner shall comply with the rules and regulations of the Illinois Human Rights Act (the "Human Rights Act"), including the mandatory provisions that each Contractor have in place written sexual harassment policies that shall include, at minimum, the following information: a) the illegality of sexual harassment; b) the definition of sexual harassment under state law; c) a description of sexual harassment, utilizing examples; d) the vendor's internal complaint process including penalties; e) the legal recourse, investigation and complaint process available through the Department and the Commission; and f) protection against retaliation as provided by Section 6-101 of said Act and that it has a written sexual harassment policy in place in full compliance with Section 105(A)(4) of the Human Rights Act, 775 ILCS 5/2-105(A)(4). The Owner shall comply with the requirements of the Illinois Human Rights Act, 775 ILCS 5/1-101 *et seq.*, including but not limited to, the provision of sexual harassment policies and procedures pursuant to Section 2-105 of the Act. The Owner shall comply with all federal Equal Employment Opportunity Laws, including, but not limited to, the Americans with Disabilities Act, 42 U.S.C. Section 12101 *et seq.*, and rules and regulations promulgated thereunder.

13.10. The Owner shall: a) not discriminate against any employee or applicant for employment because of race, color, religion, creed, sex, marital status, national origin or ancestry, age, citizenship, physical or mental handicap or disability, military status, unfavorable discharge from military service or arrest record status; and further that it will examine all job classifications to determine if minority persons or women are underutilized and will take appropriate affirmative action to rectify any such underutilization; b) state that all applicants will be afforded equal opportunity without discrimination because of race, color, religion, sex, marital status, national origin or ancestry, age, physical or mental handicap unrelated to ability,

or an unfavorable discharge from military service in all solicitations or advertisements for employees; c) submit reports as required by the Department's Rules, furnish all relevant information as may from time to time be requested by the Department or the contracting agency, and in all respect comply with the Illinois Human Rights Act and the Department's Rules; d) permit access to all relevant books, records, accounts and work sites by personnel of the contracting agency and the Department for purposes of investigation to ascertain compliance with the Illinois Human Rights Act and the Department's Rules; and e) include verbatim or by reference the provisions of this clause in Construction Contract so that such provisions will be binding upon such subcontractor. In addition, the Owner will not utilize any Contractor declared by the Illinois Human Rights Commission to be ineligible for contractor or subcontracts with the State of Illinois or any of its political subdivisions or municipal corporations.

13.11. To the extent applicable, Owner shall comply with the Illinois Prevailing Wage Act (820 ILCS 130/0.01 et seq.) such that not less than the prevailing rate of wages as established by Department of Labor applicable in Kankakee County or determined by the court on review shall be paid to all laborers, workers and mechanics performing work under this Agreement or Construction Contracts. Owner shall include in bids or requests for proposals to Contractors the cost for the current prevailing wage. As changes are made in these prevailing wages, the Owner will be responsible for giving notice and conforming to the changes and shall have the responsibility for determining when changes are made. All record keeping requirements are the obligation of the Owner. To the extent that there are any violations of the Prevailing Wage Act and any demands are made upon the Village, the Owner shall be responsible for indemnifying and holding the Village free and harmless from all costs incurred, directly or indirectly, by the Village in responding to and complying with demands made by the Department of Labor, or an aggrieved employee. Owner shall: a) make and keep, for a period not less than 3 years, records of all laborers, mechanics, and other workers employed by them on the Territory; b) the records shall include each worker's name, address, telephone number when available, social security number, classification or classifications, the hourly wages paid in each pay period, the number of hours worked each day, and the starting and ending times of work each day; and c) submit monthly, in person, by mail, or electronically a certified payroll to the Village. The certified payroll shall consist of a complete copy of the records identified in the Prevailing Wage Act. The certified payroll shall be accompanied by a statement signed by the Owner which avers that: a) such records are true and accurate; b) the hourly rate paid to each worker is not less than the general prevailing rate of hourly wages required by the Prevailing Wage Act; and c) the Owner is aware that filing a certified payroll that they know to be false is a Class B misdemeanor. Owner shall not be prohibited from relying on the certification of a lower tier Contractor, provided the Owner does not knowingly rely upon another Contractor's false certification. The records submitted in accordance with the Prevailing Wage Act herein shall be considered public records, except an employee's address, telephone number, and social security number, and made available in accordance with the Freedom of Information Act. Upon Two (2) business days' notice, the Owner shall make available for inspection the records identified in the Prevailing Wage Act to the Village, and to the Director of Labor and his deputies and agents. Upon two (2) business days' notice, the Owner shall make such records available at all reasonable hours at a location within this State. Owner shall be responsible for ensuring all Contractors comply with this Section, and it shall be solely responsible for ensuring the record keeping and submissions required under this Section are complied with by

Contractors.

13.12. Owner shall comply with all applicable environmental laws of any federal, state or local jurisdiction. Owner shall not permit or allow the use, storage, generation, treatment, disposal or release of any hazardous substance or material on the public property.

13.13. The provisions of this Section 13 is not intended nor shall they be applied to any work other than public improvements on or within public property, or work required to be governed by this section, or any subsection hereof, due the use of public monies attained through financing, subsidizations, contributions or grants for such work, to the extent required by Applicable Laws.

Section 14. Final Approval of Public Improvements. The Village shall accept by resolution all public improvements on the Territory upon the Village Engineer's satisfaction that said improvements have been completed in accordance with this Agreement and the Village Code. The Village's acceptance shall be contingent upon the Owner: a) delivering to the Village fully executed lien waivers from any and all contractors performing work on the Territory, or material-men supplying material incorporated therein; b) dedicating to the Village the land on or in which public subdivision improvements are located; and, c) conveying by bill of sale all public subdivision improvements constituting personal property.

Section 15. Recapture.

15.1. It is hereby acknowledged that the Territory is not currently subject to a recapture agreement by and between the Village and a third-party. Certain public improvements to be constructed by the Owner under the terms of this Agreement may not be for the sole and exclusive benefit of the Territory, but rather comprise regional improvements which benefit real estate other than the Territory owned by parties other than Owner. In such event, the Village shall, except as otherwise provided herein, adopt an ordinance authorizing the Village's execution and delivery of a recapture agreement(s) which recapture agreement(s), among other matters, sets forth the recapture obligations for said public improvements or as further agreed between the Owner and the Village for each respective third party owner and their respective properties benefitted thereby on a proportionate basis. The Village agrees to take all steps required by law to adopt and record the recapture agreement(s) with the County Recorder of Deeds. Notwithstanding the foregoing, Owner shall not be entitled to receive recapture for any cost and expenses for which it receives actual TIF reimbursement.

15.2. Notwithstanding anything in this Agreement to the contrary, Owner shall not receive recapture for the costs of public improvements serving or benefiting the Nymeyer Parcel and Langlois Parcel although the proportionate costs for that property shall be computed when determining the amount the Owner are entitled to recapture from other third-party Owner.

15.3. In the event a third-party makes public improvements up to or through the Territory, or performs road work that benefits the Territory, without Owner's proportionate monetary contribution, the Village is authorized by Owner to impose, and the Owner consents to the imposition of, and recording against the Territory, a recapture obligation for costs thereof

under and pursuant to the recapture agreement by and between Village and said third-party. Owner shall be prohibited from accessing said public improvements, or being serviced thereby, until such time as the third-party has been reimbursed for Owner's proportionate share of the costs. Notwithstanding the above, the owners of the Martin/Dietrich Parcels have represented and promised to the Village that they will not seek, and expressly waive and forfeit the right to reimbursement from the Owner for any cost incurred to construct public improvements from the Territory, even though they may have such rights through their annexation agreements. The representation, waiver and forfeiture is memorialized in Exhibit "C," attached hereto, and is relied upon by the Village and Owner as an inducement for their execution and performance hereunder.

15.4. Notwithstanding the above, Owner shall be subject to the recapture fees codified in the Village Code then in effect related to public utilities that are constructed by the Village.

Section 16. Development Assistance, Special Service Areas and Taxation.

16.1. The Village acknowledges that Owner is considering the use of incentives as a means to finance the extension of utilities and other public improvements contemplated in connection with the development of the Territory. The Village may consider, but shall not be required to approve applications or requests made by the Owner in conjunction with development of the Territory for industrial development bonds, tax increment financing, property tax abatements, special service areas, special assessment districts, property tax classifications and other such types of financing and incentives as may then be available for construction of buildings, recreation facilities and other improvements within the Territory. The Owner shall reimburse the Village for Village Expenses (including but not limited to reasonable attorney's fees) associated with the pursuit, approval or implementation of such incentives.

16.2. Notwithstanding the foregoing, it is agreed that Owner may request that the Village adopt, so long as the Territory is eligible, and the taxing bodies affected thereby to the establishment of an intermodal or industrial TIF, the following ordinances to effectuate the redevelopment of the Territory in accordance with the TIF Act (collectively, the "TIF Ordinances"): (a) an ordinance approving a redevelopment plan for the TIF Area (the "Redevelopment Plan"); (b) an ordinance designating the Subject Property as a "Redevelopment Project Area" pursuant to (and as defined in) the TIF Act; and (c) an ordinance adopting tax increment allocation financing for the Redevelopment Project Area. The Village shall conduct public hearings, convene a joint review board and provide such other notices and take such actions with regard to such request as are required by the TIF Act (the "TIF Formation Process"). At the conclusion of the TIF Formation Process, the Village shall consider whether, in the sole discretion of the Village, it is in the best interest of the Village to adopt the TIF Ordinances. If the TIF Ordinances are passed, then within sixty (60) days thereafter (the "60 Day Period"), the Village and Owner shall use all commercially reasonable efforts to negotiate, have approved and executed an RDA in form and substance mutually acceptable to both parties. The RDA shall provide for Owner's entitlement to reimbursement for eligible redevelopment costs under the Redevelopment Plan and Applicable Law from incremental tax revenue created within the TIF district in a given tax year, or such amount necessary to fully reimburse expenses

incurred by Owner in that year, that qualify as eligible redevelopment costs, throughout the term of the TIF, as determined by the equalized assessed valuation in a given year for the Territory multiplied by the taxing rate assigned to the tax code, minus the total equalized assessed valuation base, which shall be as certified by the Kankakee County Clerk as determined by multiplying the equalized assessed valuation of the Territory in the tax year in which the TIF District is established, provided such incremental tax revenue is not otherwise due to other developers, or set aside for other purposes.

16.3. It is expressly agreed and understood that any such reimbursement obligation will be a limited obligation (not a general obligation), the sole and only source for the reimbursement of eligible redevelopment costs will be the incremental revenue deposited and existing general special tax allocation fund for said TIF District, and that no Person shall have the right to compel the exercise of any taxing power of the Village for payment thereof, and that no obligation of the Village under this Agreement shall constitute an indebtedness of the Village or a loan of credit thereof. Additionally, it is understood that 25% of the incremental tax revenue created with the TIF District for each tax year shall be sequestered in the fund and pledged in reserve to fund, or reimburse Owner or others, for the construction of public utilities, to the extent qualifying as eligible costs, under and pursuant to Applicable Laws. If the TIF Formation Process is initiated or completed after the commencement of development on any part of the Territory, Owner shall reimburse the Village for Village Expenses incurred in pursuit thereof before consideration of the passage of TIF Ordinances. Owner shall indemnify, defend and hold harmless the Village, its employees, agents and officers from any and all claims, liabilities, costs (including reasonable attorney's fees), and damages of whatsoever kind or nature on account of the Village's adoption of the TIF Ordinances and the execution of the RDA, including but not limited to, damages to TIF bondholders for the revenue and feasibility projections utilized in the TIF Formation Process.

16.4. Due to the proximity of the expiration of the Kankakee County Enterprise Zone, the Village shall not be required to request or apply to the County of Kankakee to amend the boundaries of said enterprise zone to include the Territory. The Village has requested the County of Kankakee to include the Territory in its application to the Illinois Department of Commerce and Economic Opportunity for the new Kankakee County Enterprise Zone. Nothing herein shall guarantee all or a part of the Territory is included within such enterprise zone area, or that if included, Owner thereof will be entitled to the incentives authorized under the Illinois Enterprise Zone Act, 20 ILCS 655/1, *et seq.*, or local incentives, programs or activities. Notwithstanding the above, the Village will provide all reasonable cooperation and will support the creation of a new enterprise zone before the Kankakee County Board, other governmental entities, and the Illinois Department of Commerce and Economic Opportunity. The Village agrees to cooperate with efforts among Owner, the County of Kankakee and other governmental entities to obtain Foreign Trade Zone designation for portions of the Territory, subject to Owner's agreement to reimburse the Village for all Village Expenses, on proportionate basis with other properties in the Village so benefitted, expended in pursuit of the same.

16.5. Without the prior written consent of Owner, the Village shall not, during the Term of this Agreement: (a) levy against any real or personal Territory within the Territory, any special assessment or tax for the cost of any improvements in or for the benefit of the Territory

except as specified herein; or (b) undertake any local improvements in, or for the benefit of the Territory pursuant to the imposition of a special assessment or special tax against the Territory or any portion thereof; or (c) levy or impose additional taxes on the Territory, in the manner provided by law for the grant of special services to the Territory or any area in which the Territory is located or for the payment of debt incurred in order to provide such special services, however, nothing herein contained shall prevent the Village from levying or imposing upon the Territory general real estate taxes in the manner provided by law. Notwithstanding the foregoing, the Owner hereby consent to the creation of a special service area over the Territory, the levying of a tax therefor, and/or the issuance of bonds therefor, and agree that they shall refrain from objecting to such matters, the purpose of which will be to defray the cost of installing public improvements required by this Agreement in the event such work is not initiated, pursued and completed in accordance with this Agreement. The Village agrees that it will not create such special service area, levy a tax therefor, and/or issue bonds therefor, until such time as the Owner has defaulted in the performance of the aforesaid obligations.

16.6. The Owner acknowledges and agrees that the Village shall retain the exclusive authority to select bond and issuer's counsel in conjunction with the issuance of any bonds, notes, certificates or other instruments of indebtedness, and may select one firm to act as both bond and issuer's counsel. Nothing herein shall require the Village's participation in said transactions should, as a result thereof, the Village's debt limit, debt service extension base, or levy power or authority under PTELL be affected or reduced. Nothing herein shall require the Village's participation in said transaction should the same necessitate a referendum, back-door referendum, or the pledge of a revenue source that is not derived exclusively from the Territory, or the pledge of, either principally or alternately, its authority to levy *ad valorem* property taxes upon all taxable property without limitation as to rate or amount. Finally, Nothing herein shall require the Village's participation in said transaction if the same will reduce the amount of bank qualified securities it may issue in a calendar year below an amount that it reasonably anticipates using, or reserves for use in the case of an emergency, within that calendar year.

Section 17. Miscellaneous Fees.

17.1. Owner shall pay such fees, charges and expenses not specifically exempted in this Agreement as specified in the Village Code, at such time as may be in effect, in accordance with the provisions thereof, provided no such fees shall be payable until owner develops said Territory.

17.2. The Village further agrees that no new types or classifications of land development fees, subdivision, impact or building permit fees, donations, costs or impositions not in existence as of the date of this Agreement will be imposed the Owner of the Territory in connection with its development during the term of this Agreement unless the same shall be imposed by a Village ordinance of general applicability.

Section 18. Binding Effect. The Parties intend that the terms and conditions of this Agreement shall be a covenant running with the land and shall be binding upon, and inure to the benefit of, the Parties hereto, their grantees, nominees, successors, Owner of record and in interest, assignees, heirs, executors, and lessees. Upon the conveyance by Owner or any

successor thereto, of all or any portion of the Territory, such Owner or successors conveying title shall automatically and without further action be relieved of any future obligations arising under this Agreement with respect to that portion of the Territory that is so conveyed, but shall not be relieved of unperformed obligations existing at the time of the conveyance whether or not written notice of an Event of Default has been issued or declared, without the express written consent of the Village. Notwithstanding the above, the Village shall be bound by any estoppel certificate issued which is relied upon by Owner before the sale of real property.

Section 19. Disputes. In the event this Agreement or any transaction nor action contemplated hereby is challenged by a third-party before an court or tribunal, the Village and Owner, whether or not named in said proceeding, shall split evenly the costs of the defense, including attorney's fees. In the event that the annexation or zoning of the Subject Property is challenged or held invalid as a result of an action of any curable technical defect in the manner of the annexation or zoning, the parties shall promptly take all actions necessary to cure such defects, including, without limitation, the giving of such notices, the holding of such public hearings and the adoption of such ordinances and resolutions as may be necessary to further the spirit and intent of this annexation agreement. If any provision of this annexation agreement is rendered invalid by legislation of the General Assembly of the State of Illinois, the Village and the Owner, at the request of either party, shall enter into good faith negotiation to seek to cause the fulfillment of the provision which has been invalidated in some lawful manner which may give to the parties the benefits and obligations previously bargained for.

Section 20. Indemnification; Defense; Hold Harmless. Owner hereby agrees and shall defend, indemnify and hold harmless the Village, its officers, employees and agents ("Village Parties") against, and to protect, save and keep harmless from, and to pay on behalf of or reimburse Village Parties as and when incurred for, any and all liabilities, obligations, losses, damages, penalties, demands, claims, actions, suits, judgments, settlements, costs, expenses and disbursements (including reasonable attorney's fees) ("Claim") of whatever kind and nature, which may be imposed on or incurred by any person, including third-parties, related to the development of the Territory, including, without limitation, construction work performed under contracts with third-parties. Any liability insurance policy required to be obtained by Owner or his designee under the Village Code shall include a contractual liability endorsement for such obligations under this section. Any insurance policy maintained by the Village shall be non-contributory with respect to such Claim.

Section 21. Subordination. Owner shall disclose any and all third-parties which hold a legal or equitable interest in the Territory prior the Territory's annexation. Any and all parties so disclosed shall be required to consent to this Agreement and subordinate their interest to this Agreement by executing the Consent and Subordination Agreement attached hereto as Exhibit "D," which is incorporated herein by reference. In the event no such interest is held, Owner shall send written notice to the Village prior to the annexation that Owner holds title to the Territory free and clear of legal and equitable interest of third-parties.

Section 22. Event of Default. Failure on the part of either Party to comply with any material term, representation, warranty, covenant, agreement, or condition of this Agreement, or any other document to be required to be executed by this Agreement, within thirty (30) days

after written notice thereof shall constitute an "Event of Default." No default by Owner or the Village shall be actionable or be of other consequence unless and until it shall constitute an Event of Default.

Section 23. Remedies. In the Event of Default by the Village in the performance of any of its obligations under this Agreement, Owner's sole remedy shall be for an order of performance of the Agreement. Except as otherwise provided, in the Event of Default by the Owner in the performance of any of its obligations under this Agreement, the Village's remedies shall be an order of performance (including payment of money, whether or not denoted as damages), breach of contract, or such other rights or remedies as it may be entitled to under the law. Neither Party shall be liable to the other for consequential damages or lost profits. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies, and benefits provided by this Agreement shall be cumulative and shall not be exclusive of any other rights, remedies, and benefits allowed by law.

Section 24. Illinois Law; Venue; Jury. This Agreement shall be governed by the laws of the State of Illinois and shall be enforceable in a court of competent jurisdiction by any parties hereto by any appropriate action at law or in equity to secure the performance of the covenants herein contained. Venue shall be in the Circuit Court of the 21st Judicial Circuit, Kankakee County, Illinois.

Section 25. Attorney's Fees. The prevailing Party in any action or suit for a breach of this Agreement, for performance of this Agreement, or challenging any term, condition, covenant or obligation of the Agreement or the annexation, shall be entitled to its reasonable attorney's fees and costs from the other Party.

Section 26. Non-Waiver. The failure of either Party to exercise at any time any right granted to it under this Agreement shall not be deemed or construed to be a waiver of that right, nor shall the failure void or affect the Party's right to enforce that right or any other right in future.

Section 27. Time of the Essence. Time is of the essence in the performance of this Agreement.

Section 28. Uncontrollable Events. Neither the Village nor Owner shall be deemed in default of its obligations under this Agreement in the event of any delay is caused by damages or destruction by fire or other casualty, strike, shortages of material, or unusually adverse weather conditions.

Section 29. Notices and Communications. All notices, demands, requests for reimbursement or other communications under or in respect of this Agreement shall be in writing and shall be deemed to have been given when the same are (i) deposited in the United States mail and sent by first class mail, postage prepaid or (ii) delivered, in each case, to Village and Owner at their respective addresses (or at such other address as each may designate by notice to the other), as follows:

- (1) if to Village: Village of Manteno
Attn: Bernie Thompson, Acting Administrator
98 East Third Street
Manteno, IL 60950
- (2) copy to: Joseph Cainkar
Louis F. Cainkar, Ltd.
30 North LaSalle, Suite 3922
Chicago, IL 60602
- (3) if to Owner: Kankakee Valley Construction Co., Inc.
4356 West Route 17
P. O. Box 767
Kankakee, IL 60901
- (4) copy to: J. Dennis Marek
Marek, Meyer and Coghlan, Ltd.
One Dearborn Square, Suite 400
Kankakee, IL 60901

Notices to be delivered to Owner, as specified above, shall be delivered to named successor Owner or record as appropriate. Whenever any party hereto is required to deliver notices, certificates, opinions, statements or other information hereunder, such party shall do so in such number of copies as shall be reasonably specified.

Section 30. Consent. Whenever herein consent of any party is required, such consent shall not be unreasonably withheld.

Section 31. Effect of this Agreement. If any pertinent existing resolution, ordinances, or interpretations thereof, of the Village be in any way, inconsistent or conflict with any provisions hereof, then the provisions of this Agreement shall constitute lawful and binding amendments to, and shall supersede the terms of said inconsistent ordinances or resolutions or interpretations thereof, as they may relate to the Territory, contingent upon the completion of any procedural mandates imposed by State law.

Section 32. Third-Party Beneficiaries. Nothing in this Agreement is intended, nor shall it be interpreted, to create any rights or remedies to and in any third party. No claim as a third party beneficiary under this Agreement by any person shall be made, or be valid, against the Village or the Owner.

Section 33. Personal Liability. No covenant or agreement contained in this Agreement shall be deemed to be the agreement of any official, employee, or agent of the Village in his or her individual capacity, and no official, employee or agent of the Village 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 connection therewith.

Section 34. Term. This Agreement shall be binding on the Parties for a period of twenty (20) years. The zoning map amendment and special uses shall not terminate upon the expiration of this Agreement, but shall continue in effect unless thereafter amended in accordance with the law. Any special uses shall not be revoked by the Village during the term of this Agreement or thereafter provided that the Owner complies with this Agreement and Applicable Law.

Section 35. Recording. This Agreement shall be recorded in the Office of the Kankakee County Recorder, and the Village shall be responsible for the recording costs. Upon the expiration of term of this Agreement, the Owner shall execute and deliver to the Village a release of this Agreement in duplicate, and in recordable form, which the Village shall execute, and which either Party may record at its own cost.

Section 36. Sunshine Laws. Owner recognizes that the sunshine laws of the State of Illinois may require the Village to release this Agreement and certain documents related thereto upon public request. The Village will notify Owner of any such request by email. Owner shall have forty-eight (48) after said notice is sent to instruct the Village to agree or deny the request in whole or in part. Notwithstanding Owner's desires, the Village shall be under no obligation to comply with Owner's instruction and shall not be liable to Owner for any production made contrary to Owner's instruction. Provided, however, in the event the Village is instructed by Owner to deny a request, and the Village complies with Owner's request, Owner shall indemnify, defend, and hold harmless Village to and from any Claim arising from that decision, including reasonable attorney's fees and costs that may be awarded to the requesting party by the court.

Section 37. Relationship. Neither this Agreement nor any actions of the Parties or any third-party shall be construed to or create a partnership, agency relationship, or joint venture.

Section 38. Estoppel Certificates. Within ten (10) days of request from time to time, but in no event more than one (1) time per year, the Parties shall deliver completed and signed estoppel certificates certifying the status of this Agreement.

Section 39. Non-Merger. This Agreement shall survive the annexation of the Territory and shall not be merged or extinguished by the annexation of the Territory or any part thereof to the Village.

Section 40. Written Modification. Neither this Agreement nor any provisions hereof may be changed, revised, modified, waived, discharged, terminated or otherwise abrogated, diminished or impaired other than by an instrument in writing duly authorized and executed by both Village and the fee Owner of record of the Territory, provided, however, if the subject matter of an amendment to this Agreement relates only to a portion of the Territory, such amendment or modification may be executed by the then current record owner of such portion of the Territory, by the Owner so long as the Owner own any part of the Territory, and the Village.

Section 41. Counter parts. This Agreement may be signed in any number of counterparts with the same effect as if the signatures thereto and hereto were upon the same instrument.

Section 42. Entire Agreement. This Agreement constitutes the entire agreement of Village and Owner on the subject matter hereof, except as to those documents specifically identified and referenced in this Agreement. Village and Owner represent, warrant, covenant and agree that no representation, warranty, covenant or agreement shall be binding on the other party unless expressed in writing herein or by written modification pursuant to Section 40 hereof.

Section 43. Severability. It is hereby expressed to be the intent of the Parties that should any provision, covenant, agreement, or portion of this Agreement or its application to any person or Territory be held invalid by a court of competent jurisdiction, the remaining provisions of this Agreement and the validity, enforceability, and application to any person or Territory shall not be impaired thereby, but the remaining provisions shall be interpreted, applied, and enforced so as to achieve, as near as may be, the purpose and intent of this Agreement to the greatest extent permitted by applicable law.

Section 44. Headings. The section headings and references are for the convenience of the Parties and are not intended to limit, vary, define or expand the terms and provisions contained in this Agreement and shall not be used to interpret or construe the terms and provisions of this Agreement.

Section 45. Exhibits. The exhibits to this Agreement, by this reference, are hereby incorporated and made a part of this Agreement as though fully set forth herein. In the event of a conflict between this Agreement and an exhibit, the more strict provision shall control.

Section 46. Mutuality. This Agreement is the result of negotiations between the Parties who had equal access to information concerning this transaction. The Parties have obtained, or had their opportunity to obtain, legal advice concerning the meaning and effect of this Agreement, have had sufficient time to consider the meaning and effect of this Agreement, are fully aware and clearly understand all of the terms provisions contained in this Agreement and voluntarily accept them, and agree that all such terms and provisions, including the fees imposed hereunder or by the Village Code, are reasonable and proper. The Parties to this Agreement participated equally in the drafting of this Agreement. No ambiguity in this Agreement shall be construed against either Party.

Section 47. Warranties. The Village hereby warrants and represents to the Owner that the persons executing this Agreement on its behalf have been properly authorized to do so by the Corporate Authorities. The Village warrants further that it will perform all of its obligations hereunder and will cause the Plat of Annexation to be recorded. The Owner hereby warrant and represent to the Village that they have the full and complete right, power, and authority to enter into this Agreement and to agree to the terms, provisions, and conditions set forth in this Agreement, that there are no other persons constituting record Owner of the Territory, that no electors reside on the Territory, that all legal actions needed to authorize the execution, delivery, and performance of this Agreement have been taken, and that neither the execution of this Agreement nor the performance of the obligations assumed by Owner will (a) result in a breach or default under any agreement to which Owner is a party or to which it or the Territory is bound or (b) violate any statute, law, restriction, court order, or agreement to which the Owner or the Territory are bound.

Section 48. Disconnection. Notwithstanding Applicable Law or anything herein to the contrary, except in the event of a breach of this Agreement by the Village, Owner shall be prohibited from disconnecting the Territory from the Village during the term of this Agreement.

IN WITNESS WHEREOF, Village and Owner have each caused this Agreement to be executed by person duly authorized to execute the same as of the date set forth above the signatures of their respective officers or person set forth below.

VILLAGE OF MANTENO,
KANKAKEE COUNTY, ILLINOIS

ATTEST:

By: _____
Village President

By: _____
Deputy Village Clerk

Dated: June ____, 2015

(SEAL)

State of Illinois)
) ss
County of Kankakee)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that Timothy O. Nugent and Darla Hurley, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, and personally known to me to be the Village President and Deputy Village Clerk of said entity, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, and as the free and voluntary act of said entity, for the uses and purposes therein set forth.

Given under my hand and official seal,
this _____ day of June, 2015.

NOTARY PUBLIC

{IMPRESS SEAL HERE}

KANKAKEE VALLEY CONSTRUCTION CO., INC.

By: _____
President

ATTEST:

Dated: June _____, 2015

State of Illinois)
) ss
County of Kankakee)

I, the undersigned, a Notary Public in and for said County, in the State aforesaid, DO HEREBY CERTIFY that _____, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, and personally known to me to be the President and _____ of said entity, appeared before me this day in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act, and as the free and voluntary act of said entity, for the uses and purposes therein set forth.

Given under my hand and official seal,
this _____ day of June, 2015.

NOTARY PUBLIC

{IMPRESS SEAL HERE}

EXHIBIT A

Legal Description of Territory

That part of the Southwest Quarter of Section 33, Township 32 North, Range 12 East of the Third Principal Meridian, Kankakee County, Illinois bounded and described as follows: Commencing at the Southwest corner of said Section 33; thence South 89° 48' 46" East, along the South line of said Section 33, 749.48 feet; thence North 00° 00' 00" West, parallel with the West line of said Section 33, 1278.61 feet; thence South 89° 49' 03" East, parallel with the North line of the South Half of the Northwest Quarter of said Section 33, 676.51 feet to the point of beginning; thence South 89° 49' 03" East, parallel with said North line of the South Half of the Northwest Quarter of said Section 33, 941.38 feet to the Westerly right-of-way line of the Illinois Central Gulf Railroad; thence South 08° 52' 18" West along said Westerly line, 734.16 feet; thence North 89° 48' 46" West, parallel with said South line of Section 33, 503.51 feet; thence South 00° 11' 14" West, perpendicular to said South line, 128 feet; thence North 89° 48' 46" West, parallel with said South line, 324.37 feet; and thence North 00° 00' 00" West, parallel with said West line, 852.03 feet to the point of beginning, containing 15.70 acres, more or less,

PIN: (03) 02-33-300-022-0000; and,

That part of the Southwest Quarter of Section 33, Township 32 North, Range 12 East of the Third Principal Meridian, Kankakee County, Illinois bounded and described as follows: Beginning at a point on the South line of said Southwest Quarter, which point is 1,748.80 feet East from the Southwest corner of said Southwest Quarter and running; thence North, perpendicular to said South line, 553.00 feet; thence East, parallel with said South line 503.51 feet to the Westerly right-of-way line of the Illinois Central Gulf Railroad; thence Southwesterly, along said Westerly line, 559.41 feet to a point on said South line, which point is 419.04 feet East from the Point of beginning; and thence West, along said South line, 419.04 feet to the point of beginning, containing 5.86 acres of land, more or less,

PIN: (03) 02-33-300-008-0000; and,

EXCEPTING:

That part of the Southwest Quarter of Section 33, Township 32 North, Range 12 East of the Third Principal Meridian, Kankakee County, Illinois, with bearings and grid distances referenced to the Illinois State Plane Coordinate System, East Zone NAD 83 (2007 ADJ) described as follows:

Commencing at the southwest corner of said Section 33 per Monument Record recorded as Document No. 9701012 in the Kankakee County Recorder's Office; thence North 89 degrees 11 minutes, 11 seconds East 1,748.80 feet on the south line of said Southwest Quarter to the POINT OF BEGINNING; thence North 00 degrees 48 minutes 49 seconds West 81.36 feet; thence North 88 degrees 03 minutes 08 seconds East 432.61 feet to the westerly right-of-way line of the Illinois Central Railroad; thence South 07 degrees 52 minutes 44 seconds West 90.97 feet on said westerly right-of-way line to said south line of Southwest Quarter; thence South 89 degrees 11 minutes 11 seconds West 418.78 feet on said south line to the POINT OF BEGINNING, containing 0.836 acre, more or less, of which 0.290 acre (areas based on ground distance), is within the existing right-of-way; situated in County of Kankakee and State of Illinois,

Affects PINs: (03) 02-33-300-022-0000 and (03) 02-33-300-008-0000;

EXHIBIT B

Legal Description of Property to North of Territory

Langlois Parcel

The south half of the north half of the Northwest Quarter of Section 33 and that part of the south half of the north half of the Northeast Quarter of Section 33, which lies west of the Illinois Central Railroad right of way, all in Township 32 North, Range 12 East of the Third Principal Meridian in Kankakee County, Illinois;

P.I.N.: (03) 02-33-100-005-0000;

Nymeyer Parcel

The north half of the north half of the Northwest Quarter of Section 33 and that part of the north half of the north half of the Northeast Quarter of Section 33, which lies west of the Illinois Central Gulf Railroad right of way, all in Township 32 North, Range 12 East of the Third Principal Meridian in Kankakee County, Illinois;

P.I.N.: (03) 02-33-100-004-0000;

Martin Parcel

A part of that part of Section 33, Township 32 North, Range 12 East of the Third Principal Meridian, Kankakee County, Illinois lying west of the right-of-way of the Illinois Central Gulf Railroad bounded and described as follows: Beginning at the Northwest corner of the South Half of the Northwest Quarter of said Section 33 and running, thence south 89 degrees 49 minutes 03 seconds East, along the North line of said South Half of said North line extended, 2789.12 feet to the westerly right-of-way line of said railroad; thence South 08 degrees 52 minutes 18 seconds West, along said Westerly right-of-way line, 1311.47 feet; thence North 89 degrees 49 minutes 03 seconds West, parallel with said North line of the South Half, 2586.86 feet to the West line of said Section 33; thence North 00 degrees 00 minutes 00 seconds west, along said West line, 1296.43 feet to the point of beginning;

P.I.N.: (03) 02-33-100-003-0000;

Deitrich Parcel

A part of that part of Section 33, Township 32 North, Range 12 East of the Third Principal Meridian, Kankakee County, Illinois lying West of the right-of-way of the Illinois Central Gulf Railroad bounded and described as follows: Commencing at the Northwest corner of the South Half of the Northwest Quarter of said Section 33 and running, thence South 00 degrees 00 minutes 00 seconds East, along the West line of said Section 33, 1296.43 feet to the point of beginning; thence South 00 degrees 00 minutes 00 seconds East, along said West line, 1406.87 feet to a point 1278.55 feet North from the Southwest corner of said Section 33; thence South 89 degrees 49 minutes 03 seconds East, parallel with the North line of the South Half of the Northwest Quarter of Section 33, 2367.37 feet to the westerly right-of-way line of said railroad; thence North 08 degrees 52 minutes 18 seconds East, along said Westerly line, 1423.20 feet; thence North 89 degrees 49 minutes 03 seconds West, parallel with said North line of the South Half, 2586.86 feet to the point of beginning;

P.I.N.: (03) 02-33-300-012-0000;

EXHIBIT C

Waiver of Recapture Letter



Economic Development Resources
200 South Hanley Road
Suite #601
St. Louis, Missouri 63105