

**AGREEMENT FOR PRIVATE REDEVELOPMENT BETWEEN THE CITY OF  
WASHINGTON, TAZEWELL COUNTY, ILLINOIS, AND CL REAL ESTATE GROUP,  
LLC, GRIST MILL VENTURES, LLC, JEFFERY POHL, KELLY POHL, PETER  
LIMBERGER, AND INGA CARUS**

**Dated:** \_\_\_\_\_

## CITY OF WASHINGTON REDEVELOPMENT AGREEMENT

This AGREEMENT (this “**Agreement**”) made and entered into this \_\_\_\_ day of \_\_\_\_\_, 2021, (the “**Effective Date**”) by and between the CITY OF WASHINGTON, an Illinois home-rule municipal corporation (the “**City**”), exercising its governmental powers pursuant to the 1970 Constitution of the State of Illinois, CL REAL ESTATE GROUP, LLC, a Delaware limited liability company (“**CL Real Estate**”) and GRIST MILL VENTURES, LLC, an Illinois limited liability company (“**Grist Mill**”) (CL Real Estate and Grist Mill are collectively referred to as “**Developer**”) and JEFFERY POHL, KELLY POHL, PETER LIMBERGER, and INGA CARUS (individually referred to as “**Guarantor**” plus first name, and collectively referred to as “**Guarantors**”):

### R E C I T A L S

**WHEREAS**, the City has adopted a redevelopment project area known as the Downtown Square Redevelopment Project Area (the “**Redevelopment Project Area**”) also referred to herein as “**the TIF District**” located in the City, pursuant to 65 ILCS 5/11-74.4-1, *et seq.* of the Illinois Compiled Statutes, the Tax Increment Allocation Redevelopment Act (hereinafter referred to as the “**Act**”); and

**WHEREAS**, pursuant to the Act, the City has adopted a Redevelopment Plan (hereinafter referred to as the “**Plan**”) pertaining to the redevelopment of the Redevelopment Project Area, a copy of said Plan is on file with the City clerk of the City of Washington; and

**WHEREAS**, the Developer, consistent with the objectives of the Plan, intends to acquire and redevelop real property within the TIF District, which parcels are legally described on Schedule 1 attached hereto and incorporated herein (the “**Project Site**”) commonly known as 140 Washington Square and 112 Walnut Street, Washington, Illinois, as a mixed-use development to include a new restaurant and brewpub, such redevelopment intentions are more fully described in Article 5 herein (the “**Project**”); and

**WHEREAS**, it is necessary to redevelop the Project Site in order to arrest the economic and physical decline of the Redevelopment Project Area, and to promote a policy of stabilization and revitalization not only in the Redevelopment Project Area, but also in the surrounding area of the City; and

**WHEREAS**, the City believes the redevelopment of the Project Site pursuant to the Plan is in the vital and best interests of the City and the health, safety, and welfare of its residents, and in accordance with the public purposes and provisions of the applicable federal, state, and local laws; and

**WHEREAS**, to support the Developer’s redevelopment of the Project Site, the City is willing to provide the Developer the incentives as set forth in this Agreement; and

**WHEREAS**, the Developer agrees to advance certain funds of its own to construct the Project and the public improvements thereon; and

**WHEREAS**, both the City and Developer expressly agree that any incentives provided in accordance with the Act shall be used only for eligible redevelopment project costs as defined in the Act; and

**WHEREAS**, it is expressly determined herein that the development of the Project is intended for a public purpose in compliance with the Act;

**WHEREAS**, it is expressly determined herein that the acquisition of the Project Site, with some of the acquisition costs consisting of public funds, is for a valid public purpose; and

**WHEREAS**, without the incentives provided by the City as set forth in this Agreement, the Developer would not develop the Project; and

**NOW, THEREFORE**, in consideration of the premises and the mutual obligations and covenants herein contained, and for other good and valuable consideration, the receipt and sufficiency of which is hereby expressly acknowledged, the parties hereto covenant, consent, and agree as follows:

## **ARTICLE 1 DESCRIPTION OF THE PROJECT**

1.1 **The Project.** The Project shall consist of a commercial development more fully described in Article 5 herein.

1.2 **The Estimated Cost of the Project.** The Estimated Cost of the Project is set forth on Schedule 2 attached hereto and incorporated herein (the “**Estimated Project Cost**”). The Developer agrees that if the actual Project costs are less than 90% of the Estimated Project Cost, Developer shall repay to the City an amount equal to the Project costs paid by the City to the Developer multiplied by a fraction, the numerator of which is the Estimated Projected Costs reduced by the actual Project costs and the denominator is the Estimated Project Costs.

## **ARTICLE 2 ACQUISITION OF PROJECT SITE AND CONSTRUCTION OF THE PROJECT**

2.1 **Commencement and Completion of the Project Requirements.**

2.1.1 **Acquisition.** The Developer agrees that the City’s obligations hereunder shall not commence unless and until the Developer acquires fee simple title to the Project Site on or before January 31, 2022.

2.1.2 **Commencement of the Project.** The Developer shall commence demolition and construction of the Project no later than June 30, 2022. In the event the Developer cannot commence demolition and construction of the Project by June 30, 2022, the City shall have the

right to terminate the Agreement after such failure by providing written notice to the Developer. For the purpose of this Agreement, “**commence demolition and construction**” shall mean the act of demolishing the buildings on the Project Site and thereafter, the physical groundbreaking for the erection of the new restaurant and brewpub on the Project Site. In the event of termination under this Section, the Developer must repay any costs it received from the City pursuant to this Agreement within ten (10) days of the termination of this Agreement under this Section. This repayment obligation is due without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived. If any repayment required by the Section is not timely made, the City may immediately seek repayment and exercise any and all other rights and remedies granted to it by this Agreement and/or Illinois law.

**2.1.3 Completion of the Project.** The Developer shall complete demolition and construction of the Project not later than December 1, 2023. For the purpose of this Section, “**completion of demolition and construction,**” or any variation thereof, means the complete demolition of the Project Site and construction of the Project, except for minor and ancillary alterations or additional work, so as to make the Project eligible for operation as a restaurant and brewpub. In the event the Developer does not complete the Project on or before December 1, 2023, such failure shall be a material breach of this Agreement entitling the City to exercise any and all of its rights and remedies granted to it hereunder.

**2.2 Quality of Construction and Conformance to Federal, State and Local Requirements.** All work with respect to the Project (the “**Works**”) shall conform to the City’s zoning code, building code and all applicable federal, state, and local laws, regulations and ordinances including, but not limited to, environmental codes, life safety codes, the Illinois Prevailing Wage Act, the Illinois Human Rights Act, and the Illinois Public Works Employment Discrimination Act. The Developer shall cause the construction of the Works to be commenced and to be prosecuted with due diligence and in good faith in accordance with the terms of this Agreement and shall cause the Works to be constructed in a good and workmanlike manner.

**2.3 Utilities.** All arrangements for utilities, aside from upgrading the water and sewer mains set forth in Articles 7 and 8 herein, must be made by the Developer with the applicable utility company. The City makes no representations whatsoever with respect to the adequacy or availability of utilities with respect to the Project or Project Site.

### **ARTICLE 3 REPRESENTATIONS OF THE DEVELOPER**

The Developer represents, warrants and agrees as the basis for the undertakings on its part herein contained that:

**3.1 Organization.** CL Real Estate is a limited liability company organized, existing and in good standing under the laws of the State of Delaware. The manager of CL Real Estate is CL Enterprises, LLC, a Delaware limited liability company. Grist Mill is a limited liability company organized, existing and in good standing under the laws of the State of Illinois. The manager of Grist Mill is Peter Limberger. The Developer shall, as a condition precedent to the

implementation of this Agreement, provide the City with the names and addresses of the current members of both CL Real Estate and Grist Mill.

3.2 **Authorization.** The Developer has the power to enter, and by proper action has been duly authorized to execute, deliver, and perform, this Agreement and will deliver to the City Manager's Certificates, dated as of the Effective Date, certified copies of the Articles of Organization, Operating Agreements, Authorizing Resolutions, and Incumbency Certificates.

3.3 **Non-Conflict or Breach.** Neither the execution or delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, conflict with or result in a breach of any of the terms, conditions or provisions of the Developer's organizational documents or any restriction, agreement, or instrument to which the Developer is now a party or by which the Developer is bound.

3.4 **Pending Lawsuits.** There are no lawsuits either pending or, to the best of Developer's knowledge, threatened that would affect the ability of the Developer to proceed with the acquisition, construction and redevelopment of the Project Site and Project, respectively, as of the Effective Date.

3.5 **Location of Project.** The Project will be located within the Project Site.

#### **ARTICLE 4 REPRESENTATIONS OF THE CITY**

The City represents, warrants, and agrees as a basis for the undertakings on its part contained herein that:

4.1 **Organization and Authorization.** The City is a municipal corporation organized and existing under the laws of the State of Illinois, and has the power to enter and by proper action has been duly authorized to execute, deliver, and perform this Agreement.

4.2 **Redevelopment Plan.** The Plan (including the Redevelopment Project Area set forth therein) has been properly formed, adopted, and approved by the City in accordance with Illinois law and is in full force and effect.

4.3 **Non-Conflict or Breach.** Neither the execution or delivery of this Agreement, the consummation of the transactions contemplated hereby, nor the fulfillment of or compliance with the terms and conditions of this Agreement, conflict with or result in a breach of any of the terms, conditions or provisions of any restriction, agreement, or instrument to which the City is now a party or by which the City is bound.

4.4 **Pending Lawsuits.** There are no lawsuits either pending or threatened that would affect the ability of the City to perform this Agreement.

## **ARTICLE 5 DEVELOPER'S COVENANTS**

**5.1 Redevelopment Project.** The Developer agrees on behalf of itself, its successors or assigns, to redevelop the Project on the Project Site as described in this Agreement. The Project Site will be acquired by Grist Mill. The existing buildings will be demolished to construct a new two-level building and ancillary building to include a restaurant and brewpub, with private dining spaces and outdoor rooftop beer garden and balconies. Tangled Roots Beverage Company LLC, a Delaware limited liability company (also known as Tangled Roots Brewing Company) (“**Tenant**”) will be a tenant of the new buildings and operate the restaurant and brewpub on the Project Site. Upon completion of demolition and construction, the Project will consist of building area just under 10,000 square feet, excluding any outdoor space. The preliminary plans for the Project and Project Site are attached hereto as Schedule 3 and by reference expressly made a part hereof (the “**Plans and Specifications**”). Developer will prepare and submit to the City detailed plans and specifications that, with the City’s written approval, given in its sole discretion, will become the Plans and Specifications. Construction of the Project shall be in strict compliance with the Plans and Specifications. The Plans and Specifications may only be modified or revised with the City’s prior written approval.

**5.2 Redevelopment Work.** As set forth above, the Developer agrees to construct a new restaurant and brewpub in accordance with the Plans and Specifications. In that connection, the Developer shall conduct or have the following work conducted at the Project Site, which such work is more specifically detailed on Schedule 3:

- Demolish 140 Washington Square and 112 Walnut Street entirely;
- Construct a new two-story building with an ancillary building to include a restaurant/brewpub, including necessary support space; and
- Construct a rooftop beer garden/event space.

The Estimated Project Cost of the above-listed items for the demolition and construction is specifically set forth in Schedule 2 hereto. Developer will comply with any and all nationally accepted standards for demolition and construction of the structures. Furthermore, Developer shall abide by all representations and warranties set forth herein. All material and equipment furnished in connection with the development described in this Article and otherwise in this Agreement, shall be new and otherwise of good quality.

**5.3 State Licensing.** Developer or Tenant will apply for a brew pub license with the State of Illinois in accordance with the Illinois Liquor Control Act of 1934. Information concerning a brew pub license can be found at 235 ILCS 5/5-1(n). A different license issued by the Illinois Liquor Control Commission may only be applied for with the City’s prior written approval.

**5.4 Certificate of Appropriateness.** The City must issue a Certificate of Appropriateness (“**COA**”) for the demolition of the existing structures located on the Project Site and for the exterior of the buildings being constructed on the Project Site. The Developer shall immediately return all amounts paid to Developer under this Agreement if the demolition of the

existing structures or the exterior construction violates an approved COA or if the construction substantially alters the architectural character of the Project as described in the Plans and Specifications. This repayment obligation set forth herein is due without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived. The City may immediately, without expiration of any grace period, seek repayment and exercise any and all other rights and remedies granted to it by this Agreement and/or Illinois law.

**5.5 Payment of Taxes.** In order to assure the property flow of tax revenues anticipated pursuant to the Plan and this Agreement, the Developer, its successors and assigns, covenants as follows:

(1) It will promptly and timely pay all applicable taxes when due.

(2) In the event that all applicable taxes are not paid by Developer within thirty (30) days from the date said taxes are due and owing, the City may make payment of the taxes due and owing on the Project Site. The amount so advanced by the City shall be immediately due and owing from the Developer to the City and shall bear interest from the date of payment at the rate of twelve percent (12%) per annum compounded quarterly until paid in full. The City shall have a lien against all of the Developer's property for all amounts paid together with interest and all expenses incurred in the recovery of said amounts, including, but not limited to, attorney's fees incurred in collecting said amounts. The City may bring such actions as may be deemed appropriate to enforce payment and/or enforce the lien hereinabove granted against the property. This paragraph shall not apply after December 31, 2030.

**5.6 Exemption from Tax.** Developer covenants for itself, its successors, and assigns, and for all successors and lessees to the Project Site, that it shall not apply for, seek, or authorize any exemption from the imposition of real estate taxes on said Project Site without first obtaining the prior written approval of the City, which may be withheld in the City's absolute discretion. Nothing herein contained shall be construed so as to prevent the Developer from contesting the assessment or collection of any taxes under statutory procedure set forth in the Illinois Compiled Statutes; provided, however, that Developer shall give the City at least fifteen (15) days prior written notice of its intent to contest the assessment or collection of real estate taxes.

**5.7 Indemnification of the City.** So long as the Developer, its successor and assigns maintain a direct ownership interest in the Project or Project Site or any part thereof (excluding, for example, a direct interest therein solely as a creditor or mortgagee), the Developer, its successors and assigns agree to indemnify and save the City and its officers and employees harmless against all claims by or on behalf of any person or persons, business, governmental agency, firm, partnership, limited liability company or corporation arising from the Developer's, its successors and assigns ownership, operation or management of the Project, or from any work of or thing done by the Developer, its successors or assigns on the Project Site, or any work or activity of the Developer, its successors and assigns connected to the demolition and construction of the Project. The Developer, its successors, and assigns agree to indemnify and save the City harmless from and against all costs and expenses incurred in or in connection with any such claim arising as aforesaid or in connection with any action or proceeding brought thereon. In case any such claim shall be made or action brought based upon any such claim in

respect of which indemnity may be sought against the Developer, its successors and assigns upon receipt of notice in writing from the City setting forth the particulars of such claim or action, the Developer, its successors and assigns shall assume the defense thereof including the employment of counsel and the payment of all costs and expenses. The City shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such separate counsel shall be at the sole expense of the City. It is agreed and understood that the aforesaid indemnities in this Section shall be binding on the Developer, its successors and assigns only for such period as the Developer, its successors and assigns maintain a direct ownership interest in the Project or Project Site or part thereof (excluding, for example, a direct interest therein solely as a creditor or mortgagee), and only with respect to such direct ownership interest in the Project or Project Site or part thereof.

**5.7.1. Insurance.** Prior to the commencement of demolition and construction of the Project, the Developer covenants to provide the City with an insurance certificate indicating that the Developer and the Project Site are covered by commercial liability insurance limits in an amount to be approved by the City. The City shall be named as an additional insured within the insurance certificate. The insurance policy shall be issued by an insurer duly authorized to provide insurance policies within the State of Illinois. Any such insurance policy must include a provision requiring at least thirty (30) days advance notice to the City prior to a cancellation or lapse of the policy. The Developer cannot commence demolition and construction of the Project without such insurance. Any such policy shall remain in full force and effect until December 31, 2030.

## **5.8 Equal Opportunity.**

**5.8.1 Non-Discrimination.** The Developer will not discriminate against any employee or applicant for employment on the basis of race, color, religion, sex, or national origin or any other protected characteristic under state, local, or federal law. The Developer will take affirmative action to ensure that applicants are employed, and that employees are treated during employment, without regard to their race, color, religion, sex, or natural origin or any other protected characteristic under state, local, or federal law. Such action shall include but not be limited to the following: employment, upgrading, demotion, transfer, recruitment, recruitment advertising, layoff, termination, rate of pay or other forms of compensation, and selection for training, including apprenticeship. The Developer agrees to post in conspicuous places, available to employees and applicants for employment, notices setting forth the provisions of this non-discrimination clause.

**5.8.2 Advertising.** The Developer will, in all solicitations or advertisements for employees placed by or on behalf of the Developer, state that all qualified applicants will receive consideration for employment without regard to race, color, religion, sex, or national origin or any other protected characteristic under state, local, or federal law.

**5.9 Payment of Prevailing Wages.** The Developer acknowledges that the Illinois Department of Labor currently takes the position as a matter of its enforcement policy that financing for the Project under the Act and under this Agreement does not subject the Project to the Prevailing Wage Act (820 ILCS 130/0.01 *et seq.*) unless the Project also receives funding



from another public source. Neither the Developer nor the City intend for the Prevailing Wage Act to apply to the Project. The City makes no representation as to any such application of the Prevailing Wage Act to the Project, and any failure by Developer to comply with the Prevailing Wage Act, if and to the extent subsequently found to be applicable by any legal authority having jurisdiction, shall not be deemed an “Event of Default” under this Agreement. Notwithstanding the foregoing sentence, Developer agrees to assume all responsibility for any such compliance (or noncompliance) with the Prevailing Wage Act in connection with the Project under this Agreement in the event of any action by any party to enforce its provisions, and pursuant to Section 5.7, provide indemnification to the City for any claims against it that arise under the Prevailing Wage Act.

**5.10 Project Subject to Plan and Agreement.** Developer agrees to comply with the terms and conditions of this Agreement and to use its best efforts to construct the Project subject to the terms, covenants, building and use restrictions, and other conditions in the Plan and this Agreement.

**5.12 Liens.** Developer shall promptly pay when due the entire cost of any work in the Project Site undertaken by Developer so that the Project Site shall at all times be free of liens for labor and materials.

**5.13 Evidence of Private Financing.** In order to assure that the Developer has the financial resources to sustain its obligations to develop the Project on the Project Site, the Developer shall provide the funds or evidence thereof for the part of the Project that is to be privately financed within thirty (30) days from the execution of this Agreement.

**5.14 Inspection Rights.** Developer shall liberally allow the City to inspect the Project, the Project Site, and the Developer’s records within seven (7) business days of the City’s request to conduct such an inspection.

## **ARTICLE 6**

### **CITY’S OBLIGATIONS – TIF REIMBURSEMENT INCENTIVE**

**6.1 Conditions Precedent to TIF Reimbursement Incentive.** The City’s obligation to make the reimbursement in accordance with the Act as set forth in this Article is subject to the following:

6.1.1 The Developer’s compliance with the terms and conditions set forth in this Agreement and the schedules attached hereto; and

6.1.2 The reimbursement is limited to the reimbursement of eligible “**Redevelopment Project Costs**” as defined within the meaning of the Act (65 ILCS 5/11-74.4-3(q)).

## 6.2 TIF Reimbursement for Qualified Redevelopment Project Costs.

6.2.1 **TIF Reimbursement.** In accordance with the Act and subject to all of the conditions set forth herein, the City shall reimburse the Developer for all of its Redevelopment Project Costs from the Special Tax Allocation Fund (Fund #208) for the Project Area (the “**TIF General Account**”), in a sum not to exceed the amount of Six Hundred Seventy-Five Thousand Dollars (\$675,000.00), more particularly limited and set forth on Schedule 4, which is attached hereto and incorporated hereunder.

6.2.2 **Actual Cost v. Estimated Cost.** In the event the Developer shall perform the agreements herein contained and certifies an actual cost incurred that is less than the estimated cost contained herein, the City shall pay directly from the TIF General Account a sum not to exceed the certified cost.

6.2.3 **Obligation for Reimbursement.** The City’s obligation to pay any of the above-stated costs shall not arise until and unless the following shall first occur:

- (a) Sufficient funds are available and on deposit in the TIF General Account for the Project Site. If there are not sufficient funds in the TIF General Account for the Project Site to pay all of the stated costs set forth in the Development Payout Schedule (as defined in Article 10 below), any shortfall shall be an obligation that is carried over from year to year until sufficient funds generated by the TIF District become available in the TIF General Account, if ever.
- (b) The Developer shall document Redevelopment Project Costs to the reasonable satisfaction of the City by submitting the certified forms to the City Administrator in substantially the form of Schedule 5, which is attached hereto and incorporated hereunder.

## ARTICLE 7

### CITY’S OBLIGATION – CITY WATER INFRASTRUCTURE IMPROVEMENTS

7.1 **Conditions Precedent to Improvements.** In accordance with the City’s home-rule powers, the City will conduct certain infrastructure improvements as provided herein to assist in the construction of the Project. The City’s obligation to provide infrastructure improvements as set forth in this Article hereof is subject to the following:

7.1.1 The Developer’s compliance with the terms and conditions set forth in this Agreement and the schedules attached hereto; and

7.1.2 The improvements to be conducted by the City are limited to the installation of a new 8” water main with a tie-in location along Jefferson Street to the southeastern corner of the Washington Square to provide the Project Site additional water capacity needed for the Project and the fire protection of the Project Site (the “**Water Infrastructure Improvements**”). The estimated cost associated with the Water Infrastructure Improvements is Seventy Thousand

Dollars (\$70,000.00), such cost to be borne exclusively by the City (See Section 4 attached herein).

## **ARTICLE 8**

### **CITY’S OBLIGATION – CITY SEWER INFRASTRUCTURE IMPROVEMENTS**

8.1 **Conditions Precedent to Improvements.** In accordance with the City’s home-rule powers, the City will conduct certain infrastructure improvements as provided herein to assist in the construction of the Project. The City’s obligation to provide infrastructure improvements as set forth in this Article hereof is subject to the following:

8.1.1 The Developer’s compliance with the terms and conditions set forth in this Agreement and any schedules attached hereto; and

8.1.2 The improvements to be conducted by the City are limited to the installation of a new 8” sanitary sewer in the alley immediately north of the real estate commonly known as Tazewell County Parcel Identification Numbers 02-02-24-108-038 and 02-02-24-108-039 to improve the sanitary flows along said alley (the “**Sewer Infrastructure Improvements**”). The estimated cost associated with the Sewer Infrastructure Improvements is Fifty Thousand Dollars (\$50,000.00), such cost to be borne exclusively by the City (See Section 4 attached herein).

## **ARTICLE 9**

### **CITY’S OBLIGATION – TIF REIMBURSEMENT INTEREST INCENTIVE**

9.1 **Conditions Precedent to TIF Reimbursement Interest Incentive.** The City’s obligation to make the interest reimbursement in accordance with the Act as set forth in this Article is subject to the following:

9.1.1 The Developer’s compliance with the terms and conditions set forth in this Agreement and the schedules attached hereto; and

9.1.2 The reimbursement is limited to the reimbursement of the interest cost incurred by the Developer related to the Project, provided, however that the reimbursement of interest cost under this Article shall comply with the requirements of Section 3(q)(11) of the Act (65 ILCS 5/11-74.4-3(q)(11)), including but not limited to the requirement that the reimbursement in any one year may not exceed thirty percent (30%) of the annual interest costs incurred by Developer with regard to the Project during that year (“**TIF Interest Incentive**”).

### **9.2 TIF Reimbursement for Qualified Redevelopment Project Costs.**

9.2.1 **TIF Reimbursement.** In accordance with the Act and subject to all of the conditions set forth herein, the City shall reimburse the Developer the TIF Interest Incentive from the TIF General Account in a sum not to exceed the amount of Three Hundred Five Thousand Dollars (\$305,000.00), more particularly limited and set forth on Schedule 4, which is attached hereto and incorporated hereunder, provided, however, no reimbursement shall occur under this Article for interest incurred by the Developer after December 31, 2025.

9.2.2 **Actual Cost v. Estimated Cost.** In the event the Developer shall perform the agreements herein contained and certifies an actual interest cost incurred that is less than the estimated cost, the City shall pay directly from the TIF General Account a sum not to exceed the certified cost.

9.2.3 **Obligation for Reimbursement.** The City's obligation to pay any of the above-stated interest costs shall not arise until and unless the following shall first occur:

- (a) Sufficient funds are available and on deposit in the TIF General Account for the Project Site. If there are not sufficient funds in the TIF General Account for the Project Site to pay all of the stated costs set forth in the Development Payout Schedule (as defined in Article 10 below), any shortfall shall be an obligation that is carried over from year to year until sufficient funds generated by the TIF District become available in the TIF General Account, if ever.
- (b) Developer shall document interest costs incurred by Developer related to the Project to the reasonable satisfaction of the City by submitting the certified forms to the City Administrator in substantially the form of Schedule 6, which is attached hereto and incorporated hereunder.

## **ARTICLE 10 DEVELOPMENT PAYOUT SCHEDULE**

The City shall provide the reimbursements and incentives stated herein in accordance with the development payout schedule, which is attached hereto and incorporated hereunder as Schedule 7 (the "Development Payout Schedule"). However, prior to the City being obligated to pay any such cost before the scheduled payment in accordance with the Development Payout Schedule, the City shall be permitted access to the Project Site to inspect the progress the Developer has completed. Upon such inspection, if, in the City's sole discretion, the Developer has not adequately progressed in the development of the Project, the City has no obligation to make the scheduled payment unless and until developmental progress has been made to the City's complete satisfaction.

## **ARTICLE 11 COMMENCEMENT OF OPERATIONS**

Developer agrees for itself, its successors, and assigns and/or its Tenant, that it will use the Project Site for operations as a restaurant and brewpub (the "**Purpose**") through December 31, 2030. Prior to commencing operations, Developer agrees to obtain all necessary Federal, State and Local approval, permits, and any business-related licenses, including but not limited to liquor licenses, as may be required for the Purpose on the Project Site. If the Project Site is not used for the Purpose between December 1, 2023, and December 31, 2030, the Developer shall pay the TIF General Account maintained by the City for the TIF District an amount equal to:

| Date Operations Ceased on the Project Site | Amount Payable to the TIF General Account |
|--|---|
| December 1, 2023 – December 31, 2024       | \$675,000.00                              |
| January 1, 2025 – December 31, 2025        | \$540,000.00                              |
| January 1, 2026 – December 31, 2026        | \$405,000.00                              |
| January 1, 2027 – December 31, 2027        | \$270,000.00                              |
| January 1, 2028 – December 31, 2030        | \$135,000.00                              |

Furthermore, if the Project Site is not used for the Purpose between December 1, 2023, and December 31, 2030, the Developer shall pay, for the TIF Interest Incentive paid out, the TIF General Account maintained by the City an amount equal to:

| Date Operations Ceased on the Project Site | Amount Payable to the TIF General Account            |
|--|--|
| December 1, 2023 – December 31, 2024       | 100% of the TIF Interest Incentive Paid to Developer |
| January 1, 2025 – December 31, 2025        | 80% of the TIF Interest Incentive Paid to Developer  |
| January 1, 2026 – December 31, 2026        | 60% of the TIF Interest Incentive Paid to Developer  |
| January 1, 2027 – December 31, 2027        | 40% of the TIF Interest Incentive Paid to Developer  |
| January 1, 2028 – December 31, 2030        | 20% of the TIF Interest Incentive Paid to Developer  |

This repayment obligation set forth herein is due without presentment, demand, protest or notice of any kind, all of which are hereby expressly waived. The City may immediately, without expiration of any grace period, seek repayment and exercise any and all other rights and remedies granted to it by this Agreement and/or Illinois law, including but not limited to the rights set forth in Section 11-74.4-8b of the Act.

For purposes of this Article, the Project Site will be deemed to operate for the Purpose, if either a restaurant and brewpub or a similar sales-tax producing business approved by the City, in its sole discretion, is open to the public to provide not less than lunch service (food service between 11:00 a.m. and 2:00 p.m. Central Standard Time) and dinner service (food service after 4:30 p.m. Central Standard Time) for at least six (6) days per calendar week without any interruption in being so open for more than twenty (20) consecutive calendar days.

For the avoidance of doubt, the Developer's repayment obligation under this Article shall not apply if the obligation results from a Force Majeure Event (as defined in Section 13.3.3 herein).

## **ARTICLE 12**

### **PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER**

**12.1 Transfer of Project and Project Site After Opening of the Project.** After the Project opens to the public, the Developer (and any subsequent owner of the Project or Project Site or any part thereof) may transfer the Project or Project Site (or any portion thereof) without the consent of the City; provided that any proposed successor, assign, or transferee, by instrument in writing reasonably satisfactory to the City and in a form recordable within the Tazewell County Recorder of Deeds office, shall expressly assume all of the obligations of the Developer under this Agreement and agree to be subject to all the conditions and restrictions to which the Developer is subject to (or, in the event that the transfer is or relates to part of the Project, such obligations, conditions and restrictions to the extent that they relate to such part). Provided, that the fact that any successor, assign, or transferee whatsoever to, the Project, or any part thereof, shall not have assumed such obligations or so agreed, shall not (unless and only to the extent otherwise specifically provided in this Agreement or agreed to in writing by the City) relieve or except such successor, assign, or transferee of or from such obligations, agreements, conditions, or restrictions, or deprive or limit the City of or with respect to any rights or remedies or controls with respect to the Project or the construction thereof and subsequent operation; it being the intent of this, together with the other provisions of this Agreement, that (to the fullest extent permitted by law and equity and excepting only in the manner and to the extent specifically provided otherwise in this Agreement) no transfer of the Project or Project Site or any part thereof, or any interest therein, however consummated or occurring, and whether voluntary or involuntary, shall operate legally or practically, to deprive or limit the City, of any rights or remedies or controls regarding the Project and the construction thereof that the City would have had, had there been no such transfer. The requirement of this Section terminates on December 31, 2030.

**12.2 Status of Assignee.** Any successor, assignee, or transferee of the Project or the Project Site from the Developer under the provisions hereof shall be considered the “**Developer**” for all purposes of this Agreement.

**12.3 No Release of Developer or Guarantors.** Any total or partial transfer of the Project or the Project Site, with or without the City’s consent, shall not be deemed a release of the Developer or the Guarantors from any of their obligations hereunder, or from any conditions or restrictions to which the Developer and/or Guarantors are subject, unless the Developer and/or Guarantors are expressly released in writing by the City.

## **ARTICLE 13 DEFAULT AND REMEDIES**

**13.1 Event of Default.** The following shall be events of default (“**Event of Default**”) with respect to this Agreement:

13.1.1 If any representation made by the Developer or City in this Agreement, or in any certificate, notice, demand, or request made by the Developer or City, in writing and delivered to the other party pursuant to or in connection with any of said documents shall prove to be untrue or incorrect in any respect as of the date made;

13.1.2 Breach by the Developer or City of any covenant, warranty or obligation set forth in this Agreement; or

13.1.3 Any other specific breach identified herein.

### **13.2 Remedies of Default or Bankruptcy.**

13.2.1 **General Remedies.** In the case of an Event of Default or bankruptcy by either party hereto or any successors to such party, such party or successor shall, upon written notice from the other party, take immediate action to cure or remedy such Event of Default or Bankruptcy within sixty (60) days after receipt of such notice. If, in such case action is not taken, or not diligently pursued, or the Event of Default or bankruptcy shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure or remedy such default or bankruptcy, including but not limited to, proceedings to compel specific performance by the party in default of its obligations. In case the City or Developer shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned for any reason or shall have been determined adversely to the party initiating such proceedings, then and in every such case the Developer and the City shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of the Developer and the City shall continue as though no such proceedings had been taken.

13.2.2 **Remedies due to Developer Default.** In the case of an Event of Default by the Developer, Developer agrees for itself, its successors and assigns, that it will immediately pay to the City any and all sums previously expended by the City in connection with or arising out of the City's obligations hereunder to pay certain Redevelopment Project Costs, together with all costs of collection of same, including but not limited to the City's reasonable attorney's fees (as defined in Section 15.8 herein), court costs and costs of collection.

13.2.3 **Remedies due to City Default,** In the case of an Event of Default by the City, the City agrees for itself, its successors and assigns, that it will immediately pay to Developer all amounts due to Developer hereunder and for which the City has an obligation hereunder to pay, as of the date of default, including Redevelopment Project Costs, together with all Developer's reasonable attorneys' fees (as defined in Section 15.8 herein), court costs and costs of collection. The City's payment obligation as set forth in this Section for Redevelopment Project Costs is limited to eligible Redevelopment Project Costs, as defined within the Act.

### **13.3 Other Rights and Remedies of City and Developer: Delay in Performance and Waiver.**

13.3.1 **No Waiver by Delay.** Any delay by the City or the Developer in instituting or prosecuting any actions or proceedings or otherwise asserting their rights under this Agreement shall not operate to act as a waiver of such rights or to deprive them of or limit such rights in any way (it being the intent of this provision that the City or Developer should not be constrained so as to avoid the risk of being deprived of or limited in the exercise of the remedies

provided in this Agreement because of concepts of waiver, laches or otherwise); nor shall any waiver in fact made by the City or Developer with respect to any specific Event of Default by the Developer or City under this Agreement be considered or treated as a waiver of the rights of the City or Developer under this Section or with respect to any Event of Default under any section in this Agreement or with respect to the particular Event of Default, except to the extent specifically waived in writing by the City or Developer.

**13.3.2 Rights and Remedies Cumulative.** The rights and remedies of the parties to this Agreement (or their successors, assigns, or transferees in interest) whether provided by law or by this Agreement, shall be cumulative, and the exercise by either party of any one or more of such remedies shall not preclude the exercise by it, at the time or different times, of any other such remedies for the same Event of Default by the other party. No waiver made by either such party with respect to the performance, nor the manner of time thereof, or any obligation of the other party or any condition to its own obligation under this Agreement shall be considered a waiver of any rights of the party making the waiver with respect to the particular obligation of the other party or condition to its own obligation beyond those expressly waived in writing and to the extent thereof, or a waiver in any respect in regard to any other rights of the party making the waiver or any other obligations of the other party.

**13.3.3 Delay in Performance/Force Majeure.** For the purposes of any of the provisions of this Agreement except with regard to payment of taxes as provided herein, neither the City, nor the Developer (or the Tenant of the Project Site), as the case may be, nor any successor, assigns, or transferee in interest, shall be considered in breach of, or in default of, its obligations with respect to the acquisition or preparation of the Project Site for redevelopment, or the beginning and completion of demolition and construction of the Project, or progress in respect thereto, in the event of enforced delay in the performance of such obligation due to unforeseeable causes beyond its control and without its fault or negligence, including, but not restricted to acts of God, acts of the public enemy, acts of federal, state or local government, acts of the other party, fires, floods, epidemics, quarantine restrictions, strikes, embargoes, acts of nature, unusually severe weather or delays of subcontractors due to such causes; it being the purposes and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the City or Developer with respect to the acquisition of the Project Site or demolition and construction of the Project shall be extended for the period of the enforced delay (a “**Force Majeure Event**”). Provided, that the party seeking the benefit of the provisions of this Section, shall within thirty (30) days after the beginning of any such enforced delay, have first notified the other party thereof in writing, of the cause or causes thereof, and request an extension of the period of enforced delay. Such extensions of schedules shall be agreed to in writing by the parties hereto. Notwithstanding the foregoing, the COVID-19 pandemic shall not extend the time for performance of the Developer’s obligations, nor shall it be considered a Force Majeure Event excusing performance of the Developer’s obligations hereunder except for executive orders and/or other laws, rules and/or regulations issued by the federal or state government that require citizens of the City to shelter in place and/or do not permit the operation of restaurants or bars in the City.



## **ARTICLE 14 GUARANTY**

### **14.1 Guarantors' Information.**

14.1.1 **Pohls.** Guarantor Jeffery and Guarantor Kelly are members of Grist Mill.

14.1.2 **Limberger.** Guarantor Peter is the Manager of Grist Mill and is an Owner and CEO of CL Real Estate Group, LLC.

14.1.3 **Carus.** Guarantor Inga is an Owner of CL Enterprises, LLC, a parent company to CL Real Estate Group, LLC.

14.2 **Guaranty.** In consideration of the execution of this Agreement by the City and as a material inducement to the City to execute this Agreement, Guarantors, jointly and severally, hereby irrevocably and unconditionally, guarantee the full, timely and complete (a) payment of all sums payable by Developer to the City under this Agreement, and any amendments or modifications thereto by agreement or course of conduct, and (b) performance of all covenants, representations and warranties made by Developer and all obligations to be performed by Developer pursuant to this Agreement, and any amendments or modifications thereto by agreement or course of conduct. The payment of those amounts and performance of those obligations shall be conducted in accordance with all terms, covenants and conditions set forth in this Agreement, without deduction, offset or excuse of any nature and without regard to the enforceability or validity of this Agreement, or any part thereof, or any disability of Developer.

***THIS GUARANTY IS A GUARANTY OF PAYMENT AND PERFORMANCE, AND NOT OF COLLECTION. UPON ANY BREACH OR DEFAULT BY DEVELOPER UNDER THIS AGREEMENT, THE CITY MAY PROCEED IMMEDIATELY AGAINST DEVELOPER AND/OR GUARANTORS TO ENFORCE ANY OF THE CITY'S RIGHTS OR REMEDIES AGAINST DEVELOPER OR GUARANTORS PURSUANT TO THIS AGREEMENT, OR AT LAW OR IN EQUITY WITHOUT NOTICE TO OR DEMAND UPON EITHER DEVELOPER OR GUARANTORS. THIS GUARANTY SHALL NOT BE RELEASED, MODIFIED OR AFFECTED BY ANY FAILURE OR DELAY BY THE CITY TO ENFORCE ANY OF ITS RIGHTS OR REMEDIES UNDER THIS AGREEMENT, OR AT LAW OR IN EQUITY.***

The Guaranty described in this Section shall terminate after the Developer obtains all necessary and required City, state, federal, and local permits, licenses, and approvals to lawfully open to the general public. The effective date of such termination of the Guaranty is on the date the Project is lawfully opened to the general public as a restaurant and brewpub.

## **ARTICLE 15**

### **GENERAL PROVISIONS**

#### **15.1 Authorized Representatives.**

15.1.1 **Developer.** By complying with the notice provisions hereof, the Developer shall designate Nathan Watson, as the authorized representative, who unless applicable law requires action by the Manager(s) of CL Real Estate and/or Grist Mill, shall have the power and authority to make or grant or do all things, requests, demands, approvals, consents, agreements and other actions required or described in this Agreement for and on behalf of the Developer.

15.1.2 **City.** By complying with the notice provisions hereof, the City designates the City Administrator as the authorized representative, who shall communicate with the Developer on behalf of the City. Such representative shall not have the authority to make agreements on behalf of the City.

15.2 **Governing Law.** This Agreement shall be construed under and pursuant to the laws of the State of Illinois. The exclusive venue for the resolution of any disputes or the enforcement of any rights arising out of or in connection with this Agreement shall be in Tazewell County, Illinois.

15.3 **Execution of Counterparts.** This Agreement may be executed by original signature or by facsimile, digital, or other electronic signature and in one or more counterparts, each of which will be deemed an original and together will constitute one and the same instrument. This Agreement may be executed as an original in ink, by facsimile signature (e.g., a signature reproduction by physical or electronic stamp) or any electronic signature complying with the U.S. Federal E-SIGN Act of 2000. Any counterparty containing a qualifying signature transmitted electronically (e.g., via e-mail or telecopier machine) shall be accepted as an original and shall have the same force and effect as an original.

15.4 **Reference to Headings.** Unless otherwise specified, references to sections and other subdivisions of this Agreement are to the designated sections and other subdivisions of this Agreement as originally executed.

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

15.6 **Entirety of Agreement.** This Agreement is the entire agreement between the parties hereto, and any other agreements, whether written or oral, entered into by the parties prior to the date hereof shall be deemed to be null and void and have merged into this Agreement by virtue of the execution hereof.

**15.7 Binding Upon Successors in Interest.** This Agreement shall be binding upon all the parties hereto and their respective heirs, successors, administrators, assigns, transferees, or other successors in interest.

**15.8 Attorneys' Fees.** In the event any action or legal proceeding is commenced to enforce any provision in connection with this Agreement, the prevailing party shall be entitled to recover as part of such action or proceedings, or in a separate action brought for that purpose, reasonable attorneys' fees and court costs as may be fixed by the court. For purposes of this Agreement, the term "attorneys' fees" shall mean and include, but not necessarily be limited to, attorney and paralegal fees whether incurred for purposes of research, preparation, negotiation, trial, appellate, collection or otherwise.

**15.9 Construction of Agreement.** Each party was or had the opportunity to be represented by legal counsel during the negotiation resulting in this Agreement and have their legal counsel review this Agreement. The parties agree that the rule of construction to the effect that any ambiguities are to be resolved against the drafting party shall not be employed in the interpretation of this Agreement.

**15.10 No Other Legal Relationship Created.** Nothing contained in this Agreement shall be deemed or construed as creating a relationship of principal and agent, or of partnership or of joint venture between the parties hereto.

**15.11 Severability.** If any provision of this Agreement shall be held to be void or unenforceable for any reason, the remaining terms and provisions of this Agreement shall not be affected thereby.

**15.12 Memorandum of Agreement.** The parties hereto shall execute and record a Memorandum of Agreement with the Tazewell County Recorder of Deeds within fourteen (14) days of the Developer acquiring the Project Site, in the form attached as Schedule 8 hereunder. Upon satisfaction of all of Developer's obligations under this Agreement, and in no event later than January 31, 2031, the City shall execute and record a statement to the effect that all of the obligations of Developer and the City have been fully and completely performed and the Project Site is no longer subject to any liability or obligation under this Agreement.

**15.13 Further Assistance and Corrective Instruments.** The City, the Developer, and the Guarantors agree that they will, from time to time, execute, acknowledge, and deliver, or cause to be executed, acknowledged, and delivered, such supplements hereto and such further instruments as may reasonably be required by the parties hereto, for carrying out the intention of or facilitating the performance of this Agreement by any party hereto.

**15.14 Notices.** Any written notice, demand, or Requisition for Reimbursement hereunder from any party to another party shall be in writing and shall be served by (a) personal delivery, (b) Fax with confirmation by first-class mail or (c) certified mail, return receipt requested at the following addresses:

**To the City at:** City of Washington  
City Administrator  
301 Walnut St.  
Washington, IL 61571

**With a copy to:**  
Derek A. Schryer  
Davis & Campbell L.L.C  
401 Main St., Suite 1600  
Peoria, Illinois 61602

**Developer at:** CL Real Estate Group, LLC  
315 Fifth Street  
Peru, IL 61354

**With a copy to:**  
Daniel R. Harper  
Vice President and General Counsel  
315 Fifth Street  
Peru, IL 61354

Grist Mill Ventures, LLC  
315 Fifth Street  
Peru, IL 61354

**With a copy to:**  
Robert W. Brown  
Black, Black & Brown  
115 Washington Square  
Washington, Illinois 61571

**Guarantors:** Jeffery and Kelly Pohl  
723 Anne Street  
Washington, IL 61571

**With a copy to:**  
Robert W. Brown  
Black, Black & Brown  
115 Washington Square  
Washington, IL 61571

Peter Limberger and Inga Carus  
315 Fifth Street  
Peru, IL 61354

**With a copy to:**  
Daniel R. Harper  
Vice President and General Counsel  
315 Fifth Street  
Peru, IL 61354

or to the last known address of any party or to the address provided by a successor, assignee, or transferee, if such address is given in writing. Any party may change its address by providing notice in accordance with this provision. In the event said notice is mailed, the date of service shall be deemed to be two (2) business days after the date of delivery of said notice to the United States Post Office.

**[Remainder of Page Left Intentionally Blank]**

**IN WITNESS WHEREOF**, the parties hereto have executed this Agreement as of the Effective Date.

**CITY OF WASHINGTON**

**CL REAL ESTATE GROUP, LLC, a  
Delaware limited liability company**

By: \_\_\_\_\_  
Gary Manier, Its Mayor

By: CL Enterprises LLC, a Delaware limited  
liability company, Manager

Attest: \_\_\_\_\_  
Valeri Brod, Its City Clerk

\_\_\_\_\_  
Peter Limberger, Manager of CL Enterprises

SEAL:

**GRIST MILLS VENTURES, LLC, an  
Illinois limited liability company**

By: \_\_\_\_\_  
Peter Limberger

\_\_\_\_\_  
**JEFFERY POHL, an Individual**

Its: Manager

\_\_\_\_\_  
**KELLY POHL, an Individual**

\_\_\_\_\_  
**PETER LIMBERGER, an Individual**

\_\_\_\_\_  
**INGA CARUS, an Individual**

**[Signature Page to Agreement for Private Redevelopment Between The City of  
Washington, Tazewell County, Illinois, and CL Real Estate Group, LLC, Grist Mill  
Ventures, LLC, Jeffrey Pohl, Kelly Pohl, Peter Limberger, and Inga Carus]**

## **SCHEDULE 1**

### **PROJECT SITE (Legal Description)**

#### Parcel 1:

Lot 27, EXCEPT the West 59 feet thereof and except the East 41 feet thereof; ALSO Lot 28, EXCEPT the South 2 feet of the West 59 feet thereof and except the East 41 feet thereof; all situated in the City of Washington, as shown on Plat recorded August 9, 1956 in Vol. 543, Page 161, situated in TAZEWELL COUNTY, ILLINOIS.

PIN: 02-02-24-108-016

Commonly known as: 140 Washington Square & 106 Walnut Street, Washington, Illinois 61571.

#### Parcel 2:

The South 48.6 feet of the East 41 feet of even width of Lot 27 in the Original Town, now City of Washington, AND ALSO the West 8.25 feet of a parcel which lies in both Lots 27 and 28, described as being 4.92 feet in width from the North to South and lying directly North of and contiguous to the aforesaid South 48.6 feet of the East 41 feet or even width of the said Lot 27, situated in TAZEWELL COUNTY, ILLINOIS.

PIN: 02-02-24-108-018

Commonly known as: 112 Walnut Street, Washington, Illinois 61571

**SCHEDULE 2**  
**ESTIMATED PROJECT COST**

The Estimated Project Cost for complete development of the Project Site is \$5,630,000.00. A breakdown of the Estimated Project Cost and financing sources are set forth below:

| <b>Description</b>                | <b>Amount</b>        |
|-----------------------------------|----------------------|
| Purchase of Real Estate           | \$ 750,000.00        |
| Demolition                        | \$ 50,000.00         |
| Construction - Hard Costs         | \$ 2,835,000.00      |
| Contingency                       | \$ 283,500.00        |
| Pre-Development Consultants       | \$ 15,000.00         |
| Architectural & Engineering       | \$ 200,000.00        |
| Development Fees                  | \$ 329,000.00        |
| Permit Fees                       | \$ 20,000.00         |
| Legal & Accounting                | \$ 15,000.00         |
| Construction financing & carrying | \$ 125,000.00        |
| Permanent Financing               | \$ 17,500.00         |
| Furniture, Fixtures & Equipment   | <u>\$ 990,000.00</u> |
| <br>TOTAL ESTIMATED PROJECT COSTS | <br>\$ 5,630,000.00  |

**SCHEDULE 3**

**PLANS AND SPECIFICATIONS FOR THE PROJECT AND PROJECT SITE**

[TO BE INSERTED BY DEVELOPER]



**SCHEDULE 4**

**REIMBURSEMENT/INCENTIVES FOR THE REDEVELOPMENT  
OF THE PROJECT SITE**

| <b>Fund Source</b>                       | <b>Use of Funds</b>  | <b>Amount</b> | <b>Total from Fund</b> | <b>Overall Total</b>  |
|--|--|---------------|------------------------|-----------------------|
| The Act<br>Fund No. 208                  | Acquisition of Project Site  | \$75,000.00   |                        |                       |
|  | Demolition   | \$50,000.00   |                        |                       |
|  | Closing/Acquisition of Project Site                                | \$350,000.00  |                        |                       |
|  | Engineering and Architectural Services                             | \$200,000.00  | \$675,000.00           |                       |
|  | A  |               |                        |                       |
| Water Connection Fund (Fund No. 500-502) | Water Infrastructure Improvements                                  | \$70,000.00   | \$70,000.00            |                       |
|  |  |               |                        |                       |
| Sewer Fund (Fund No. 501)                | Sewer Infrastructure Improvements                                  | \$50,000.00   | \$50,000.00            |                       |
|  |  |               |                        |                       |
| The Act<br>Fund No. 208                  | Reimbursement of Developer Interest Costs (TIF Interest Incentive) | \$305,000.00  | \$305,000.00           | <b>\$1,100,000.00</b> |

**SCHEDULE 5**

**REQUISITION FOR REIMBURSEMENT OF REDEVELOPMENT PROJECT COSTS  
PURSUANT TO THE ACT**

CL REAL ESTATE GROUP, LLC and GRIST MILL VENTURES, LLC (collectively, the “Developer”) do hereby certify to the City of Washington (the “City”) as follows:

1. That it has paid the following parties the following amounts for the items listed below, each of which constitutes “**Redevelopment Project Costs**” as defined in the City of **Agreement for Private Redevelopment Between The City of Washington, Tazewell County, Illinois, and CL Real Estate Group, LLC, Grist Mill Ventures, LLC, Jeffrey Pohl, Kelly Pohl, Peter Limberger, and Inga Carus**, dated \_\_\_\_\_, 20\_\_ between the City and the Developer (the “**Agreement**”).

| <u>Party Paid</u> | <u>Redevelopment Project Cost</u> | <u>Amount</u> |
|-------------------|-----------------------------------|---------------|
| _____             | _____                             | _____         |
| _____             | _____                             | _____         |
| _____             | _____                             | _____         |
| _____             | _____                             | _____         |

2. That it requests a payment in the total amount of \$\_\_\_\_\_ pursuant to the above referenced Agreement.

3. The undersigned hereby certifies and swears under oath that the following statements are true and correct:

- a. The costs referenced above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the City Municipal Code; and
- b. The costs paid or to be paid, as set forth in this Requisition for Reimbursement, represent a part of the funds due and payable for Developer’s Redevelopment Project Costs; and
- c. The expenditures for which amounts are requested represent proper Redevelopment Project Costs as defined in the Agreement and the Tax Increment Allocation Redevelopment Act; and

4. Attached hereto are copies of invoices and proof of payment of such invoices, including cancelled checks and/or any lien waivers (to the extent applicable) relating to all items for which reimbursement is being requested.

Title: \_\_\_\_\_

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\_\_\_\_\_ [Company] for the purposes stated therein, and that said act was his/her free act and deed and the free act and deed of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal the day and year first above written.

\_\_\_\_\_  
Notary Public

My Commission Expires:

**SCHEDULE 6**

**REQUISITION FOR REIMBURSEMENT OF TIF INTEREST INCENTIVE**

CL REAL ESTATE GROUP, LLC and GRIST MILL VENTURES, LLC (collectively, the “Developer”) do hereby certify to the City of Washington (the “City”) as follows:

1. That it has paid the following parties the following amounts for the items listed below, each of which constitutes an interest cost as an eligible Redevelopment Project Cost under the Tax Increment Allocation Redevelopment Act (the “Act”) and as provided and defined in the **Agreement for Private Redevelopment Between The City of Washington, Tazewell County, Illinois, and CL Real Estate Group, LLC, Grist Mill Ventures, LLC, Jeffrey Pohl, Kelly Pohl, Peter Limberger, and Inga Carus**, dated \_\_\_\_\_, 20\_\_ between the City and the Developer (the “Agreement”).

| <u>Party Paid</u> | <u>Interest Paid</u> | <u>Reimbursement Amount</u> |
|-------------------|----------------------|-----------------------------|
| _____             | _____                | _____                       |
| _____             | _____                | _____                       |
| _____             | _____                | _____                       |
| _____             | _____                | _____                       |

2. That it requests a payment in the total amount of \$\_\_\_\_\_ pursuant to the above referenced Agreement.

3. The undersigned hereby certifies and swears under oath that the following statements are true and correct:

- a. The costs referenced above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the City Municipal Code; and
- b. The costs paid or to be paid, as set forth in this Requisition for Reimbursement, represent a part of the funds due and payable for Developer’s TIF Interest Incentive; and
- c. The expenditures for which amounts are requested represent proper Redevelopment Project Costs as defined in the Agreement and the Act; and

- d. The expenditures for which amounts are requested have not been included in any previous Requisition for Reimbursement, have been properly recorded on the Developer's books, are set forth with invoices attached for all sums for which reimbursement is requested; and proof of payment of the invoices; and
- e. The amounts of interest costs requested to be reimbursed is consistent with the requirements of Section 3(q)(11) of the Act; and
- f. The Developer is not in default under the Agreement, and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Agreement; and
- g. Any violation of this oath shall constitute a material breach of the Agreement and shall be cause for the City to unilaterally and immediately terminate the Agreement.

4. Attached hereto are copies of proof of payment of interest costs, including cancelled checks relating to all items for which reimbursement is being requested.

Dated: \_\_\_\_\_

By: \_\_\_\_\_

By: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

STATE OF ILLINOIS )  
 ) ss.  
 COUNTY OF \_\_\_\_\_ )

On this \_\_\_\_ day of \_\_\_\_\_, 20\_\_, before me personally appeared \_\_\_\_\_, known to be the person described in and who executed the foregoing instrument and acknowledged that he/she is the \_\_\_\_\_ [Position] of \_\_\_\_\_ [Company] and that he/she executed the foregoing on behalf of \_\_\_\_\_ [Company] for the purposes stated therein, and that said act was his/her free act and deed and the free act and deed of said Company.

IN TESTIMONY WHEREOF, I have hereunto set my hand and affixed my official seal  
the day and year first above written.

---

Notary Public

My Commission Expires:

**SCHEDULE 7**

**DEVELOPMENT PAYOUT SCHEDULE**

| <b>Date</b>                    | <b>Description</b>   | <b>Amount</b> | <b>Funding Source</b>                    | <b>Payment To:</b>    |
|--------------------------------|--|---------------|--|-----------------------|
| 12/22/2021                     | Acquisition of Project Site  | \$75,000.00   | The Act (Fund No. 208)                   | Developer             |
| 1/22/2022                      | Closing/Acquisition of Project Site                                | \$275,000.00  | The Act (Fund No. 208)                   | Developer             |
| Upon Request for Reimbursement | Demolition   | \$50,000.00   | The Act (Fund No. 208)                   | Developer             |
| Upon Request for Reimbursement | Engineering and Architectural Services                             | \$200,000.00  | The Act (Fund No. 208)                   | Developer             |
| 12/1/2023                      | Acquisition of Project Site  | \$75,000.00   | The Act (Fund No. 208)                   | Developer             |
|                                | Water Infrastructure Improvements                                  | \$70,000.00   | Water Connection Fund (Fund No. 500-502) | N/A – City borne cost |
|                                | Sewer Infrastructure Improvements                                  | \$50,000.00   | Sewer Fund (Fund No. 501)                | N/A – City borne cost |
| Upon Request for Reimbursement | Reimbursement of Developer Interest Costs (TIF Interest Incentive) | \$305,000.00  | The Act (Fund No. 208)                   | Developer             |



**SCHEDULE 8**

Prepared By:

City of Washington  
301 Walnut Street  
Washington, IL 61571

After recording return to:

City of Washington  
301 Walnut Street  
Washington, IL 61571

---

**MEMORANDUM OF AGREEMENT**

CL Real Estate Group, LLC, a Delaware limited liability company, and Grist Mill Ventures, LLC, an Illinois limited liability company, (collectively, “**Developer**”) and the City of Washington, an Illinois home-rule municipal corporation (the “**City**”), have entered into an **Agreement for Private Redevelopment** dated as of \_\_\_\_\_, 20\_\_ (“**Agreement**”) with the Agreement being approved by the City Council of the City on December 20, 2021, by Ordinance No. \_\_\_\_\_. The Agreement affects certain real property located in the City of Washington, the County of Tazewell, the State of Illinois, more fully described in Exhibit A attached hereto and made a part hereof (the “**Project Site**”). The Agreement provides that the Developer, subject to certain terms and conditions set forth in the Agreement, shall develop a project as described in the Agreement (the “**Project**”) on the Project Site.

**[SIGNATURE PAGE TO FOLLOW]**

Dated: \_\_\_\_\_, 20\_\_

**CITY OF WASHINGTON**

**CL REAL ESTATE GROUP, LLC, a  
Delaware limited liability company**

By: \_\_\_\_\_  
Gary Manier, Its Mayor

By: CL Enterprises LLC, a Delaware limited  
liability company, Manager

Attest: \_\_\_\_\_  
Valeri Brod, Its City Clerk

\_\_\_\_\_  
Peter Limberger, Manager of CL Enterprises

Seal:

**GRIST MILLS VENTURES, LLC, an  
Illinois limited liability company**

By: \_\_\_\_\_  
Peter Limberger

Its: Manager

STATE OF ILLINOIS        )  
  ) SS.  
COUNTY OF TAZEWELL    )

I, the undersigned, a Notary Public in and for said County and State aforesaid, DO  
HEREBY CERTIFY that Gary Manier and Valeri Brod, personally known to me to be the Mayor  
and City Clerk, respectively, of the City of Washington, an Illinois municipal corporation, and  
personally known to me to be the same persons whose names are subscribed to the foregoing  
instrument as such Mayor and City Clerk, respectively, appeared before me this day in person  
and severally acknowledged that they signed, sealed and delivered the said instrument as their  
free and voluntary act as such Mayor and City Clerk, respectively, and as the free and voluntary  
act of said municipal corporation for the uses and purposes therein set forth; and on their  
respective oaths stated that they were duly authorized to execute said instrument.

GIVEN under my hand and notary seal this \_\_\_\_ day of \_\_\_\_\_, 20\_\_

\_\_\_\_\_  
Notary Public

EXHIBIT A  
LEGAL DESCRIPTION OF THE PROJECT SITE

Parcel 1:

Lot 27, EXCEPT the West 59 feet thereof and except the East 41 feet thereof; ALSO Lot 28, EXCEPT the South 2 feet of the West 59 feet thereof and except the East 41 feet thereof; all situated in the City of Washington, as shown on Plat recorded August 9, 1956 in Vol. 543, Page 161, situated in TAZEWELL COUNTY, ILLINOIS.

PIN: 02-02-24-108-016

Commonly known as: 140 Washington Square & 106 Walnut Street, Washington, Illinois 61571.

Parcel 2:

The South 48.6 feet of the East 41 feet of even width of Lot 27 in the Original Town, now City of Washington, AND ALSO the West 8.25 feet of a parcel which lies in both Lots 27 and 28, described as being 4.92 feet in width from the North to South and lying directly North of and contiguous to the aforesaid South 48.6 feet of the East 41 feet or even width of the said Lot 27, situated in TAZEWELL COUNTY, ILLINOIS.

PIN: 02-02-24-108-018

Commonly known as: 112 Walnut Street, Washington, Illinois 61571