



CITY OF WASHINGTON, ILLINOIS

City Council Agenda Communication

Meeting Date: July 5, 2024

Prepared By: Jon Oliphant, AICP, Planning & Development Director

Agenda Item: First Reading Ordinances – Washington Commercial Building and Property Improvement Grant Program Redevelopment Agreements

Explanation: **A request is made to waive the 2nd reading ordinance for the Nena Ace Hardware project by the business owners. Their grand opening is scheduled for August 23-25. The project is anticipated to take about three weeks to complete. They would like to start the project ASAP in order for it to be completed prior to the grand opening, if possible.**

The FY 24-25 budget includes \$300,000 in the ED/Tourism Fund that is earmarked for the inaugural Washington Commercial Building and Property Improvement Grant Program. The application deadline was May 29 and ten applications were submitted. This does not include prior discussion for a parking lot improvement project for Countryside Banquet & Catering.

Following discussion at the June 10 Committee of the Whole meeting, redevelopment agreements were recommended to be drafted for eight projects. Following conversations with each of those business/property owners, two of the owners voluntarily requested to not pursue funding through this grant program. A summary of each of the six projects is as follows:

- Nena Ace Hardware (1880 Washington Road): The project would remove and replace the existing front entryway, including a new double door, painting, new awning, new permanent lighting, new roofing over the entry, and installing stone on three sides. The estimated project cost is \$225,000. The project received a score of 17, which makes it eligible for a 50%/\$50,000 grant. The recommended grant based on the scoring is \$50,000. **Request to waive the 2nd reading ordinance.**
- Brooks Accounting & Tax Service (2165 Washington Road): This property also contains AutoMate, a used car dealership. The project would blacktop and stripe the existing gravel parking lot. The estimated project cost is \$54,249. The project received a score of 9, which makes it eligible for a 25% grant. The recommended grant is \$14,531.
- Mt. Vernon Plaza (1217-1255 Peoria Street): The project would remove and replace the existing cedar shingles with black steel, painting the stucco white, and repave the parking lot. The estimated project cost is \$112,673. The project received a score of 21, which makes it eligible for a 50%/\$50,000 grant. The recommended grant is \$50,000.
- Washington Family Restaurant (1269 Peoria Street): The project would remove and replace the existing front and side façade as well as the deteriorating walls at the roofline. Cement blocks would be built to support a parapet wall on the roof and stone would be installed on the façade. The estimated project cost is \$130,000. **(Please note:** The estimate included as an exhibit in the agreement references a cost of \$224,800. Upon verification, the owner has indicated that the same scope can be completed at a reduced cost). The project received a score of 20, which makes it eligible for a 50%/\$50,000 grant. The recommended grant is \$50,000.
- Brad's Lawn Care (290-304 Muller Road): The project would install a permanent interchangeable tenant sign with permanent landscaping including a flagstone retaining wall. The estimated project cost is \$13,096. The project received a score of 8, which makes it eligible for a 25% grant. The recommended grant is \$3,274.

- Russell's Cycling & Fitness (10 Valley Forge Plaza): The project would paint the east and north sides of the building. The estimated project cost is \$6,500. The project received a score of 15, which makes it eligible for a 50% grant. The recommended grant is \$3,250.

Fiscal Impact: The City's not-to-exceed expenditure included in the redevelopment agreements drafted for the eight projects would be \$171,055.09. This does not include the City's tentative disbursement for the Countryside Banquet & Catering parking lot project, which would obligate the City to a not-to-exceed amount of \$69,500 and bring the total City share to \$240,555.09.

Action Requested: Approval of individual redevelopment agreements for each of the projects. With \$300,000 budgeted in FY 24-25 for this program, the above total City share of \$240,555.09 would leave slightly less than \$35,000 that could be obligated towards another purpose that the Council may desire. First reading ordinances for each of the projects are scheduled for the July 15 City Council meeting and second readings will be scheduled for the August 5 meeting. Projects cannot begin until after such agreements have been approved.

Ordinance No. _____

(Adoption of this ordinance would approve a redevelopment agreement with Nena Hardware, Inc., for the redevelopment of 1880 Washington Road).

AN ORDINANCE AUTHORIZING THE MAYOR AND CITY CLERK TO ENTER INTO A REDEVELOPMENT AGREEMENT WITH NENA HARDWARE, INC., AN ILLINOIS CORPORATION, FOR THE REDEVELOPMENT OF 1880 WASHINGTON ROAD

BE IT ORDAINED BY THE CITY COUNCIL OF THE CITY OF WASHINGTON, TAZEWELL COUNTY, ILLINOIS, as follows:

Section 1. That the Redevelopment Agreement between the City of Washington, Tazewell County, Illinois, and Nena Hardware, Inc., an Illinois corporation, for the redevelopment of 1880 Washington Road, a copy of which is attached hereto, marked "Exhibit A," and by reference expressly made a part hereof, be, and the same is hereby approved.

Section 2. That the Mayor and City Clerk of the City of Washington be, and hereby are, authorized, empowered, and directed to enter into and execute said Agreement on behalf of the City of Washington in substantially the form of the document attached hereto, marked "Exhibit A," and by reference expressly made a part hereof, and to make, execute, and deliver any and all documents necessary for the effectiveness thereof.

Section 3. That this Ordinance shall be in full force and effect from and after its passage, approval, and publication as provided by law.

Section 4. That all ordinances or parts thereof in conflict herewith are hereby expressly repealed.

PASSED AND APPROVED this _____ day of _____, 2024.

AYES: _____

NAYS: _____

Mayor

ATTEST:

City Clerk

**REDEVELOPMENT AGREEMENT BETWEEN THE CITY OF WASHINGTON,
TAZEWELL COUNTY, ILLINOIS, AND NENA HARDWARE, INC., AN ILLINOIS
CORPORATION**

Dated: _____

**CITY OF WASHINGTON
REDEVELOPMENT AGREEMENT**

This AGREEMENT (this “**Agreement**”) made and entered into this _____ day of _____, 2024, (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, and NENA HARDWARE, INC., an Illinois corporation (the “**Developer**”).

R E C I T A L S

WHEREAS, the City has established the Washington Commercial Building and Property Improvement Grant Program (the “**Program**”) to provide private redevelopment assistance for certain eligible projects; and

WHEREAS, the Developer owns and operates a commercial hardware store at 1880 Washington Road, Washington, Illinois 61571, such property is legally described on **Schedule 1** attached hereto and incorporated herein (the “**Premises**”); and

WHEREAS, the Developer recently acquired the Premises and desires to make substantial improvements to the building on the Premises; and

WHEREAS, on or about April 22, 2024, the Developer submitted an Application for Commercial Building/Property Improvement Grant Program, a copy of which is attached hereto as **Exhibit A**, requesting private redevelopment assistance through the Program to redevelop the building on the Premises; and

WHEREAS, the Developer desires to redevelop the building on the Premises pursuant to a proposal received by the Developer dated May 6, 2024, which is attached hereto as **Exhibit B** (the “**Proposal**”); and

WHEREAS, the Developer will redevelop the building on the Premises as detailed on the Proposal, such redevelopment activities are collectively referred to as the “**Project**”; and

WHEREAS, the City has deemed the Project eligible for private redevelopment assistance under the Program; and

WHEREAS, to support the Project, the City is willing to provide the Developer with the incentives as set forth in this Agreement; and

WHEREAS, the Developer agrees to advance certain funds of Developer’s own to construct 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 improvements on the Premises 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**”).

ARTICLE 2 CONSTRUCTION OF THE PROJECT

2.1 Commencement and Completion of the Project Requirements.

2.1.1 **Commencement of the Project.** The Project shall commence within ninety (90) days of the Effective Date. Notwithstanding anything herein to the contrary, the City shall not be obligated to provide any payment to the Developer hereunder unless and until the Project is completed and the provisions of Article 6 herein are satisfied in the City’s sole discretion.

2.1.2 **Completion of the Project.** The Developer must complete the Project and receive an approved final inspection by appropriate City representatives, if applicable, prior to July 1, 2025 (the “**Completion Date**”). However, the City shall not be obligated to provide any payment to the Developer hereunder unless and until the Project is completed and the provisions of Article 6 herein are satisfied in the City’s sole discretion.

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 Human Rights Act, the Illinois Prevailing Wage 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. Intentionally Omitted.

2.4 **Limitation.** The Project may not begin until this Agreement is approved and is duly executed and a building permit is issued by the City, if applicable. Any expenses incurred by the Developer prior to the execution of this Agreement or the issuance of a permit, as applicable, shall not be reimbursed by the City.

ARTICLE 3 REPRESENTATIONS OF THE DEVELOPER

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

3.1 **Organization.** The Developer is a corporation organized, existing and in good standing under the laws of the State of Illinois. The Secretary of the Developer is Justin Nena.

3.2 **Authorization.** The Developer has the authority to conduct business in the State of Illinois. Furthermore, the Developer has the power to enter, and by proper action has been duly authorized to execute, deliver, and perform this Agreement. The Developer will provide any documentation as the City may reasonably request related to the Developer's ability to conduct business in Illinois or authority to enter into this Agreement.

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 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 Project as of the Effective Date.

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

3.6 **Financial Representation.** The Developer has sufficient financial means to complete the Project to be eligible for reimbursement hereunder.

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 home-rule 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 **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.

4.3 **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 complete the Project on the Premises as described in this Agreement. Specifically, the Developer shall make the following improvements on the Premises: (a) remove and replace the building's existing front entryway; (b) install a new double door to the building; (c) paint the building; (d) install a new awning on the building; (e) install new permanent lighting on the building; (f) install new roofing over the replaced entryway; and (g) install stone on three sides of the building in accordance with the Proposal.

5.2 **Redevelopment Work.** As set forth above, the Developer agrees to redevelop the Premises and complete the Project in accordance with this Article.

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

5.3 **Payment of Taxes.** The Developer, its successors and assigns, covenants as follows while the Project is ongoing:

(1) Developer 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, but is not obligated, make payment of the taxes due and owing on the Premises. 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 (as defined in Section 11.8 herein) 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. If the City opts not to make the tax payment described in this Section, the City may terminate this Agreement and the Developer shall immediately repay any amounts previously paid by the City hereunder.

5.4 **Exemption from Tax.** Developer covenants for itself, its successors, and assigns, and for all successors and lessees, if any, to the Premises, that it shall not apply for, seek, or authorize any exemption from the imposition of real estate taxes on said Premises 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. This paragraph shall not apply after two years have elapsed from the Completion Date.

5.5 Indemnification of the City. So long as the Developer, its successors and assigns maintain a direct ownership interest in the Premises 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, council members, agents, representatives, attorneys, 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/Premises, or from any work of or thing done by the Developer, its successors or assigns on the Premises, or any work or activity of the Developer, its successors and assigns connected to 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 Premises 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 Premises or part thereof. The requirement of this Section terminates two years after the Completion Date.

5.5.1. Insurance. Prior to the commencement of the Project, the Developer covenants to provide the City with an insurance certificate indicating that the Developer and the Premises are covered by General Commercial Liability insurance with limits in an amount to be approved by the City. The insurance policy must include an endorsement to the policy that lists the City as an additional insured thereunder. The City shall be provided with a copy of the policy endorsement illustrating that the City has been duly added as an additional insured. 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 (the "**Thirty Day Notice**") to the City prior to a cancellation or lapse of the policy. The City shall be provided with a copy of the policy endorsement illustrating that the Thirty Day Notice period was duly added to the policy. The Developer cannot commence the Project without such insurance. The requirement of this Section terminates two years after the Completion Date.

5.6 Equal Opportunity.

5.6.1 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, promotion, 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, and any other postings or notices required by applicable law related to employment matters.

5.6.2 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.

5.7 Payment of Prevailing Wages. The Developer and its contractors/subcontractors shall pay the prevailing rate of wages in the locality for each craft or type of worker or mechanic needed to complete the Project, as identified herein, also the general prevailing rate for legal holiday and overtime work, all in accordance with the Illinois Prevailing Wage Act (820 ILCS 130/0.01 *et seq.*). The Illinois Department of Labor (the “**Department**”) publishes the prevailing wage rates on its website at: <https://labor.illinois.gov/laws-rules/conmed/current-prevailing-rates.html>. The Department revises the prevailing wage rates and the Developer and its contractors/subcontractors have an obligation to check the Department’s website for revisions to the prevailing wage rates. For information regarding current prevailing wage rates, please refer to the Department’s website. To the extent required by applicable law, Developer and its contractors/subcontractors are responsible for contacting the Department to ensure understanding of prevailing wage requirements. Developer shall inform all contractors and subcontractors rendering services related to the Project that they must comply with all requirements of the Illinois Prevailing Wage Act, *including but not limited to*, all wage requirements and notice and record keeping duties. Furthermore, to the extent required by applicable law, the Developer and its contractors/subcontractors shall file certified payrolls in accordance with Section 5 of the Illinois Prevailing Wage Act (820 ILCS 130/5). The City may request proof of filing of the certified payrolls prior to making a payment to the Developer hereunder.

5.8 Project Subject to Plan and Agreement. Intentionally omitted.

5.9 Liens. Developer shall promptly pay when due the entire cost of any work on the Premises undertaken by Developer so that the Premises shall at all times be free of liens for labor and materials.

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

5.11 **Substance Abuse Prevention on Public Works Projects Act.** To the extent required by applicable law, the Developer and its contractors/subcontractors shall abide by the Substance Abuse Prevention on Public Works Projects Act (820 ILCS 265/1 *et. seq.*) and furnish a copy of its respective substance abuse prevention program to the City.

ARTICLE 6 CITY'S OBLIGATIONS –REIMBURSEMENT INCENTIVE

6.1 **Conditions Precedent to Reimbursement Incentive.** The City's obligation to make the reimbursement in accordance with 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 direct reimbursement of costs related to the Project.

6.2 **Reimbursement for Project Costs.**

6.2.1 **Reimbursement.**

(a) Subject to all of the conditions set forth herein, the City shall reimburse the Developer up to fifty percent (50%) of the Estimated Project Cost. The City shall inspect the Premises for verification that the Project has been satisfactorily completed prior to making a reimbursement hereunder. For the Project, a single reimbursement will be made by the City within sixty (60) days after the completion of the Project and the submission of paid invoices.

6.3 **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 a sum not to exceed the certified cost, subject to the limitations set forth herein. In the event the Developer shall perform the agreements herein contained and certifies an actual cost incurred that is more than the estimated cost contained herein, the City shall only reimburse the Developer for fifty percent (50%) of the Estimated Project Cost, such reimbursement shall be subject to the Reimbursement Cap (as defined herein).

6.4 **Obligation for Project Reimbursement for the Project.** The City's obligation to pay any of the above-stated costs shall not arise until and unless the following shall first occur: The Developer shall document Project costs to the reasonable satisfaction of the City by submitting paid invoices to the City Administrator.

6.5 **Limitation on Reimbursement.** The total reimbursement made by the City hereunder for the Project shall not exceed Fifty Thousand and No/100 Dollars (\$50,000.00) (the "**Reimbursement Cap**").

ARTICLE 7 CONTINUATION OF OPERATIONS

Developer agrees for itself, its successors, and assigns, that after the Project is completed, the Developer will continue to use the Premises for operation as a commercial hardware store through two years after the Completion Date.

ARTICLE 8 PROHIBITIONS AGAINST ASSIGNMENT AND TRANSFER

8.1 **Transfer of Premises.** After the completion of the Project identified herein, the Developer (and any subsequent owner of the Premises or any part thereof) may transfer the Premises (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. Provided, that the fact that any successor, assign, or transferee whatsoever to, the Premises, 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 Premises; 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 Premises 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 Premises that the City would have had, had there been no such transfer. The requirement of this Section terminates two years after the Completion Date.

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

8.3 **No Release of Developer.** Any total or partial transfer of the Premises, with or without the City’s consent, shall not be deemed a release of the Developer from any of Developer’s obligations hereunder, or from any conditions or restrictions to which the Developer is subject, unless the Developer is expressly released in writing by the City.

ARTICLE 9 DEFAULT AND REMEDIES

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

9.1.1 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;

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

9.1.3 Any other specific breach identified herein.

9.2 **Remedies of Default or Bankruptcy.**

9.2.1 **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.

9.2.2 **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 reimburse certain costs hereunder, together with all costs of collection of same, including but not limited to the City’s reasonable attorney’s fees (as defined in Section 11.8 herein), court costs and costs of collection.

9.2.3 **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, together with all Developer’s reasonable attorneys’ fees (as defined in Section 11.8 herein), court costs and costs of collection.

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

9.3.1 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.

9.3.2 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.

9.3.3 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 any tenant of the Premises, if any), 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 preparation of the Premises for redevelopment, or the beginning and completion 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 contractors/subcontractors due to such causes; it being the purpose 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 Project shall be extended for the period of the enforced delay. 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.

ARTICLE 10 GUARANTORS

Intentionally Omitted.

ARTICLE 11 GENERAL PROVISIONS

11.1 Authorized Representatives.

11.1.1 **Developer.** Justin Nena is the only individual authorized to communicate to the City related to this Agreement.

11.1.2 **City.** 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. Such authority shall be reserved exclusively to the City Council of the City.

11.2 **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.

11.3 **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 ESIGN Act of 2000. Any counterpart 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.

11.4 **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.

11.5 **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.

11.6 **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.

11.7 **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.

11.8 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.

11.9 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.

11.10 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.

11.11 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.

11.12 Memorandum of Agreement. Intentionally Omitted.

11.13 Further Assistance and Corrective Instruments. The City and the Developer, 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.

11.14 Notices. Any written notice or demand hereunder from any party to another party shall be in writing and shall be served by (a) personal delivery; (b) certified mail, return receipt requested; or (c) regular mail at the following addresses:

To the City at:

City of Washington
Attn: 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:

Nena Hardware, Inc.
Attn: Justin Nena, Secretary
1880 Washington Road
Washington, IL 61571

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 sent by regular mail, 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. Only a notice sent to the City or Developer hereunder shall constitute notice in accordance with this Section.

[SIGNATURE PAGE TO FOLLOW]

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

CITY OF WASHINGTON,
An Illinois home-rule municipal corporation

DEVELOPER:

Nena Hardware, Inc., an Illinois corporation

By: _____
Gary Manier, Its Mayor

By: _____
Justin Nena, Secretary

Attest: _____
Valeri Brod, Its City Clerk

SEAL:

[Signature Page to Redevelopment Agreement Between The City of Washington, Tazewell County, Illinois, and Nena Hardware, Inc., an Illinois corporation]

EXHIBIT A
APPLICATION

CITY OF WASHINGTON, ILLINOIS

APPLICATION FOR COMMERCIAL BUILDING/PROPERTY IMPROVEMENT GRANT PROGRAM

PRIVATE REDEVELOPMENT INCENTIVE APPLICANTS



Applicant name: Joe Burnham
Mailing address: 138 Detroit Ave
Daytime Phone: (309) 258-9230

Email Address: Joeeb@eigsticonstruction.com
Correspondence Method: Email

1. **Applicant interest in property:** Third-Party
 - **Third-Party (name):** Eigsti Construction Inc
2. **Property owner name:** Justin Nena
3. **Business name(s):** **Nena Ace Hardware**
4. **Project address or location:** 1880 Washington Road
5. **Property tax ID number(s):** 02-02-15-300-048
6. **Current use of property:** Commercial Hardware store
7. **Proposed use of property:** Commercial Hardware Store
8. **Choose the applicable project:** Façade improvements (existing buildings), Façade improvements (new buildings), Window/door replacements, Exterior painting, Permanent monument/wall signage, Non-flat roof repairs, Exterior lighting installation, Demolition

9. **Describe the nature of work proposed for the property:**
 Remove the existing glass entryway, Remove all existing vinyl wrapped posts and replace with rough sawn cedar (Stained) Remove existing entry doors and install new 12' double glass auto door, Paint all siding and soffit, install new awning to create new entryway including new cedar posts, New steel roofing over the new entry, repair all steel roofing, new black soffit on new entry and also side facing the road, Possible parking repairs, Remove and replace steel siding as applicable.
10. **Estimated total project cost:** \$225,000
11. **Estimated Start Date:** June 3, 2024
12. **Zoning:** C-3

Scoring Matrix:

| Aesthetic | Points | Score |
|--|---------------|--------------|
| The proposed project will improve the curb appeal of the property (façade improvements, replacements of windows/doors, awnings, painting, upgraded signage, permanent landscaping, etc.) | 0-4 | 4 |
| The proposed project will improve the pedestrian experience (improvements to the parking lots, sidewalks, decorative exterior lighting, etc.) | 0-2 | 1 |
| The proposed project will address existing building and/or property safety issues (structural improvements, non-flat roof repairs, stairs/porches/railings, building demolition if to be replaced by new construction) | 0-2 | 0 |
| Property Use | | |
| Retail, restaurants, entertainment, and mixed use where at least 50% of the building contains retail, restaurants, and/or entertainment | 4 | 4 |
| Office, service uses, and mixed uses where less than 50% of the building contains retail, restaurants, and/or entertainment | 2 | 0 |
| Building or Property is blighted or vacant, where the proposed project will likely improve occupancy | 0-2 | 0 |
| The business(es) are locally-owned and not chain-affiliated | 0-2 | 0 |
| Financial | | |
| The proposed project may increase the equalized assessed value of the property | 0-2 | 2 |
| The proposed project may increase sales tax generation | 0-2 | 2 |
| Location | | |
| The property is located adjacent to a prominent traffic corridor or is highly visible | 0-4 | 4 |

Total Points: 17/24

Property owner & business owner are current on the payment of the Tazewell County real estate taxes: **Yes**

Property owner & business owner are current on the payment of City of Washington water bills & license fees: **Yes**

EXHIBIT B

PROPOSAL FOR PROJECT



138 Detroit Ave
Morton, IL 61550
263-0731

DATE: 5/6/24

PROPOSAL FOR:

JOB NAME: Commercial Remodel

Mr. Justin Nena
1880 Washington Rd.
Washington

WE SUBMIT OUR PROPOSAL FOR THE FOLLOWING:

Remove three existing exterior doors
Frame openings as applicable
Install steel panels to match as close as possible
Remove entire glass façade in the front of the building
Remove all existing posts
Install new 6x6 cedar posts in the front of the building
Posts to have 1x6 wraps installed on top and bottom
Remove existing steel and aluminum on the Gable eave facing Washington Road
Frame down the Gable eave approximately 12"
Install Aluminum coilstock and solid soffit as applicable
Aluminum to be black
Install new double glass sliding doors leading to new entryway/registers
Remove existing posts and install cedar posts to match front of the building
Install new cedar posts to match around all three sides of the new entry bump out
Create roofline to wrap around the new entry as applicable
Steel roofing to be black
Soffit to be black steel
Ceiling to be flat and match existing
Distance from the building out and roof pitch will match around the two new sides of the bump out
Remove existing steel roofing over the bump out and install new steel roofing
Footings to be poured for new cedar posts as applicable
Wrap top and bottom of posts with 1x6 to match the front of the building
Remove the existing steel on the Gable eave over the bump out
Frame the Gable eave down approximately 12"
Install new black Aluminum coilstock and solid soffit as applicable
Remove steel on all three sides of the bump out 32-36" high
Install Versetta stone (Color chosen by Owner) on all three sides 32-36" high as appropriate

Powerwash siding and soffits
Paint all exterior siding
Install new permanent lighting (Chosen by Owner)
Remove and replace existing steel roofing
New steel roof to be Black
Install new double automatic glass door for the new entryway
Clean up and dispose of all garbage

- *Cost includes material, taxes and labor
- *Any changes must be discussed with Eigsti Construction and will be billed on a time and material basis
- *Dumpster Fees included
- *All painting to be done by Owner
- *The cost above is an approximation and will be billed on a time and material basis, pricing will be discussed and any changes made will be added to the final payout

Total approximated cost of project \$225,000

THIS PROPOSAL IS SUBJECT TO REVISION IF NOT ACCEPTED BY 15 days

PRICE: \$225,000 Two Hundred Twenty Five Thousand Dollars and No Cents

TERMS: \$10,000 Down/ \$60,000 after demo and framing are complete / balance upon completion

ACCEPTANCE BY: Justin Nena

SUBMITTED BY: Joe Burnham

DATE

SCHEDULE 1

Premises (Legal Description)

Sublot "C" of Tract 1, containing 1.385 acres more or less, being a part of the Southwest Quarter of the Southwest Quarter of Section 15, Township 26 North, Range 3 West of the Principal Meridian, Tazewell County, Illinois, as shown by Plat recorded in Plat Book "V", Page 112, situated in the County of Tazewell and State of Illinois.

PIN: 02-02-15-300-046

Commonly known as: 1880 Washington Road, Washington, Illinois 61571.

SCHEDULE 2
ESTIMATED PROJECT COST

The Estimated Project Cost for the Project by the Developer is \$225,000. A breakdown of the Estimated Project Cost is set forth below:

Description*

Redevelop the building on the Premises, in part, as follows: (a) removal and replacement of the building's existing front entryway; (b) installation of a new double door to the building; (c) painting of the building; (d) installation of a new awning on the building; (e) installation of new permanent lighting on the building; (f) installation of new roofing over the replaced entryway; and (g) installation of stone on three sides of the building.

| | |
|-------------------------------|--------------|
| TOTAL ESTIMATED PROJECT COSTS | \$225,000.00 |
|-------------------------------|--------------|

***For more details regarding the Project, please see the Proposal.**