

MEMORANDUM

COMMUNITY AND ECONOMIC DEVELOPMENT DEPARTMENT

TO: Thomas Thomas, City Manager

SUBJECT: Rock Island Economic Growth Corporation

DATE: 7/3/12

Rock Island Economic Growth Corporation (GROWTH) in its work to continue building new homes in the New Old Chicago Neighborhood has made the following requests from the City of Rock Island:

1. Banner Project: \$20,000 to support a Banner project. A total of fifty (50) banners with five banner designs will be installed throughout the New Old Chicago Neighborhood, specifically along 7th Avenue between 11th Street and Highway 92; beginning at Habitat Park through 10th Street and 4th Avenue and Martin Luther King Jr. Community Center. Funds are from the North 11th Street TIF.
2. New Old Chicago Redevelopment Subdivision: \$150,000 to support efforts to build 5 new single-family homes along 10th Street and 7th Avenue. Funds are from the North 11th Street TIF.
3. Veterans and Special Needs Housing: \$30,000 to support initial development costs associated with this development including site control, architectural and environmental fees. Funds are from the North 11th Street TIF.
4. Redevelopment Efforts in New Old Chicago Redevelopment Subdivision:
 - a. \$30,000 to assist with predevelopment cost of Phase Two including: demolition of the site of the former Metro Youth House, environmental and predevelopment costs. CDBG are available for this project.
 - b. Donation of the city-owned lot contiguous with the Metro Youth site.

In addition to the City of Rock Island assistance, GROWTH is using a significant amount of funds from the Neighborhood Stabilization Program 2 (NSP2) grant along with the Wells Fargo Housing Foundation grant dollars and private financing. The budget alone for the 5 new single-family homes is nearly \$1.1 million.

Recommendation:

Council authorize the City Manager to execute development agreements with the Rock Island Economic Growth Corporation for the four projects outlined above.

Submitted by: Jeffery A. Eder, Community and Economic Development Director

Approved: Thomas Thomas, City Manager

AGREEMENT

THIS AGREEMENT is entered into this _____ day of July, 2012 by and between ROCK ISLAND ECONOMIC GRWOTH CORPORATION ("Growth") and the CITY OF ROCK ISLAND, an Illinois Municipal Corporation ("City").

WHEREAS, Growth intends create new homes as part of the implementation of the New Old Chicago Neighborhood Plan, and;

WHEREAS, it is the intent of the City to support development within the New Old Chicago Neighborhood;

NOW THEREFORE, the parties, in exchange for the promises herein contained the receipt and sufficiency of which are hereby acknowledged agree as follows:

1. Growth agrees to purchase and install a total of fifty (50) new 24" x 72' banners within the New Old Chicago Neighborhood.
2. Growth agrees to install the banners throughout the New Old Chicago Neighborhood, specifically along 7th Avenue between 11th Street and Highway 92; beginning at Habitat Park through 10th Street and 4th Avenue and Martin Luther King Jr. Community Center. Each banner shall incorporate the following: Image, Dwell in Possibility, Connected, Neighborly, Dynamic.
3. City agrees to contribute to the Growth the sum of up Twenty Thousand Dollars (\$20,000) to be used to support the banner project with said contribution derived from Tax Increment Finance (TIF) revenues. Growth hereby agrees to expend said TIF revenues only on those elements of the project that are eligible activities under 65 ILCS 5/11-74.4) and to comply with all applicable requirements for the use TIF funds under 65 ILCS 5/1-74.4. Prior to the release of said funds, a representative from the city and the Growth shall meet and confer on the use of the funds
4. Growth hereby acknowledges that use of City funds requires compliance with the Illinois Prevailing Wage Act (820 ILCS 1130) as amended.
5. This Agreement shall be governed and construed in accordance with the laws of the State of Illinois with jurisdiction and venue Rock Island County.
6. In the event of a default under this Agreement by either party hereto which default is not cured within thirty (30) days of the date of receipt of notice to the defaulting party specifying that said party has failed to perform a particular obligation, the other party shall have an action for damages or, in the event

damages would not fairly compensate the non-defaulting party of this Agreement, the non-defaulting party shall have such other equitable rights and remedies as are available at law or in equity.

7. Delays by the Growth or City in performing its obligations hereunder due to acts of God or strikes, fires, floods, explosions, wars, differences with workers, delays in transportation or accidents during construction, military arrest or restraints, acts, demands or requirements of the United States or any state or territory thereof, or any governmental subdivision thereof, or due to any other causes whatsoever, whether similar or dissimilar to those above enumerated which are beyond the Growth's or City's control and not resulting from Growth's or City's fault shall cause an automatic extension of the starting and/or completion dates for the period attributable to any such cause. The affected component of this Agreement shall be deemed suspended for so long as its extension is prevented or delayed by such cause.

8. Time is of the essence of this Agreement.

9. The rights and obligations of the Growth are fully assignable by means of written notice to the City, provided that no assignment shall be deemed to release the Growth of its obligations to the City under this Agreement unless the consent of the City to release of the Growth's obligations is obtained.

10. Either party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right or remedy does so in writing. No such waiver shall obligate such party to waive any right or remedy thereafter, nor shall it be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

11. If any term or provision of this Agreement is held to be invalid or unenforceable, to any extent, the remainder of this Agreement shall continue to be fully valid and enforceable.

12. Notices, demands, consents, approvals or other instruments required to be permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent, attorney of the party, and shall be deemed to have been effective as to the date of actual delivery, if delivered personally, or as of the third day from and including the date on which it is mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

To Developer: Rock Island Economic Growth Corporation
100 19th Street
Suite 109
Rock Island, IL 61201

To City: City Clerk
City of Rock Island
1528 3rd Avenue
Rock Island, IL 61201

13. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their devisees, successors and assigns.

14. The preambles contained herein are incorporated in this Agreement by this express reference and made a part hereof.

15. This Agreement embodies the entire agreement between the parties and supersedes any written or oral agreement and may be amended or supplemented only by an instrument in writing executed by the parties hereto.

CITY

Rock Island Economic Growth Corporation

Thomas Thomas, City Manager

Brian Hollenback

ATTEST:

Aleshia Patchin, City Clerk

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WHEREAS, it is the intent of the City to support development within the New Old Chicago Neighborhood;

NOW THEREFORE, the parties, in exchange for the promises herein contained the receipt and sufficiency of which are hereby acknowledged agree as follows:

1. Growth is currently implementing new units of single family housing within the New Old Chicago Neighborhood.
2. Growth agrees to develop five new units of single-family housing along 10th Street and 7th Avenue. Homes are being built with the assistance of the Neighborhood Stabilization Program 2 (NSP 2) grant along with the Wells Fargo Housing Foundation grant dollars and private financing.
2. City agrees to contribute to the Growth the sum of up One Hundred Fifty Thousand Dollars (\$150,000) to be used to support the effort.

support initial development costs associated with this development including site control, architecture and environmental fees with said contribution derived from Tax Increment Finance (TIF) revenues. Growth hereby agrees to expend said TIF revenues only on those elements of the project that are eligible activities under 65 ILCS 5/11-74.4) and to comply with all applicable requirements for the use TIF funds under 65 ILCS 5/1-74.4. Prior to the release of said funds, a representative from the city and the Growth shall meet and confer on the use of the funds

3. Growth hereby acknowledges that use of City funds requires compliance with the Illinois Prevailing Wage Act (820 ILCS 1130) as amended.
4. This Agreement shall be governed and construed in accordance with the laws of the State of Illinois with jurisdiction and venue Rock Island County.
5. In the event of a default under this Agreement by either party hereto which default is not cured within thirty (30) days of the date of receipt of notice to the

defaulting party specifying that said party has failed to perform a particular obligation, the other party shall have an action for damages or, in the event damages would not fairly compensate the non-defaulting party of this Agreement, the non-defaulting party shall have such other equitable rights and remedies as are available at law or in equity.

6. Delays by the Growth or City in performing its obligations hereunder due to acts of God or strikes, fires, floods, explosions, wars, differences with workers, delays in transportation or accidents during construction, military arrest or restraints, acts, demands or requirements of the United States or any state or territory thereof, or any governmental subdivision thereof, or due to any other causes whatsoever, whether similar or dissimilar to those above enumerated which are beyond the Growth's or City's control and not resulting from Growth's or City's fault shall cause an automatic extension of the starting and/or completion dates for the period attributable to any such cause. The affected component of this Agreement shall be deemed suspended for so long as its extension is prevented or delayed by such cause.

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9. Either party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right or remedy does so in writing. No such waiver shall obligate such party to waive any right or remedy thereafter, nor shall it be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

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NOW THEREFORE, the parties, in exchange for the promises herein contained the receipt and sufficiency of which are hereby acknowledged agree as follows:

1. Growth is currently in predevelopment of Veterans and Special Needs Housing located along 12th Street between 5th and 7th Avenue, a planned unit development which is already approved by the City.
2. City agrees to contribute to the Growth the sum of up Thirty Thousand Dollars (\$30,000) to be used to support initial development costs associated with this development including site control, architecture and environmental fees with said contribution derived from Tax Increment Finance (TIF) revenues. Growth hereby agrees to expend said TIF revenues only on those elements of the project that are eligible activities under 65 ILCS 5/11-74.4) and to comply with all applicable requirements for the use TIF funds under 65 ILCS 5/1-74.4. Prior to the release of said funds, a representative from the city and the Growth shall meet and confer on the use of the funds
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6. Delays by the Growth or City in performing its obligations hereunder due to acts of God or strikes, fires, floods, explosions, wars, differences with workers, delays in transportation or accidents during construction, military arrest or restraints, acts, demands or requirements of the United States or any state or territory thereof, or any governmental subdivision thereof, or due to any other causes whatsoever, whether similar or dissimilar to those above enumerated which are beyond the Growth's or City's control and not resulting from Growth's or City's fault shall cause an automatic extension of the starting and/or completion dates for the period attributable to any such cause. The affected component of this Agreement shall be deemed suspended for so long as its extension is prevented or delayed by such cause.

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NOW THEREFORE, the parties, in exchange for the promises herein contained the receipt and sufficiency of which are hereby acknowledged agree as follows:

1. Growth is currently in predevelopment phase 2 of the New Old Chicago Neighborhood involves the area located along the 700 block along 8th Street.
2. City agrees to contribute to the Growth the sum of up Thirty Thousand Dollars (\$30,000) to be used for demolition of the site of the former Metro Youth house, environmental and predevelopment costs with said contribution derived from CBDG Funds. This agreement is subject to and shall be in conformance with the Title I of the Housing and Community Development Act of 1974, as amended, and all associated Federal regulations and guidelines pertaining thereto, including but not limited to the Civil Rights Act, Hatch Act, Uniform Administrative, Environmental, Architectural Barriers and Labor requirements.
3. City agrees to donate the city-owned lot contiguous with the Metro Youth site.
4. Growth hereby acknowledges that use of City funds requires compliance with the Illinois Prevailing Wage Act (820 ILCS 1130) as amended.
5. This Agreement shall be governed and construed in accordance with the laws of the State of Illinois with jurisdiction and venue Rock Island County.
6. In the event of a default under this Agreement by either party hereto which default is not cured within thirty (30) days of the date of receipt of notice to the defaulting party specifying that said party has failed to perform a particular obligation, the other party shall have an action for damages or, in the event damages would not fairly compensate the non-defaulting party of this Agreement, the non-defaulting party shall have such other equitable rights and remedies as are available at law or in equity.

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