

MEMORANDUM

COMMUNITY & ECONOMIC DEVELOPMENT DEPARTMENT

TO: Thomas Thomas, City Manager

SUBJECT: Development Agreement with Embassy Square LLC

DATE: 8/21/13

In July, Council approved funds to support the proposed improvement project planned for the Embassy Square Mall property at 2365 11th Street. Improvements include the installation of a new ATM machine, new landscaping, and a new sign.

The following Development Agreement was created to outline the responsibilities of property owner Embassy Square LLC, and the City as it relates to the various aspects involved with the project. Staff recommends approval of the Development Agreement as presented.

Recommendation:

The Community and Economic Development Department recommends that Council approve the Development Agreement with Embassy Square LLC (relates to the improvement project planned for the property at 2365 11th Street) and authorize its execution by the City Manager.

Submitted by: Mary Chappell, Development Programs Manager
Jeffery Eder, Community & Economic Development Director

Approved: Thomas Thomas

DEVELOPMENT AGREEMENT

THIS DEVELOPEMENT AGREEMENT is entered into this ___ day of August, 2013 by and between EMBASSY SQUARE LLC ("Developer") and the CITY OF ROCK ISLAND, an Illinois Municipal Corporation ("City").

WHEREAS, the Developer intends to improve certain real property ("Property") commonly referred to as 2365 11th Street in Rock Island, and;

WHEREAS, it is the intent of the City to increase the availability of banking services in the city, support beautification projects along major corridors, and support the efforts of private developers involved in revitalization projects in the city;

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

1. Developer personally or through its agent, partner, licensee, contractors, subcontractors or designee agree to erect, build, install and manage the following improvements to the Property as follows:
 - a) Manage the creation of a new 170' x 18' or 3,060 sq. ft. landscaped area along the west side of the property and parallel to 11th Street. Work to be completed according to the plans and specifications as presented in a proposal dated February 8, 2013, from Centennial Contractors of the Quad Cities, Inc. (a copy of which is attached hereto as Exhibit A). The total cost to be paid by the City for the work as described 1(a) is not to exceed the sum of Twenty-Three Thousand Seven Hundred Eighty-four (\$23,784.00) Dollars.
 - b) Manage the site preparation work on the Property to support the installation of landscaping materials in the newly developed area as presented in a proposal and rendering dated February 21, 2013 submitted by Evergreen Landscaping Associates, (a copy of which is attached hereto as Exhibit B). The total cost to be paid by the City for the work described in 1 (b) will not exceed the sum of Fifteen Thousand Eight Hundred Thirty-Four and 79/100's (\$15,834.79) Dollars.
 - c) Manage the site preparation work on the Property to support the placement of a Deere Harvester Credit Union ATM machine. This work is to be performed and completed according to plans and specifications as presented in a proposal dated February 8, 2013 from Centennial Contactors of the Quad Cities, Inc.(a copy of which is attached hereto as Exhibit C). The total cost to be paid by the City for the work as described in 1(c) is not to exceed the sum of Twenty Thousand Two Hundred Twenty-nine (\$20,229.00) Dollars.

d) Manage the installation of a new sign to be located in the center of the new landscaped area, said work to be performed according to plans and specifications as presented in a proposal dated February 28, 2013 (a copy of which is attached hereto as Exhibit D) as submitted by Allen Sign Co. The new sign will be 8' wide and 12' tall and display the names of all tenants located in the Embassy Square Mall. The total cost to be paid by the City as described in this paragraph 1(d) is not to exceed the sum of Eight Thousand Nine Hundred Sixty (\$8,960.00) Dollars.

2. Developer agrees to maintain the new landscaping for a period of five (5) years from the date of the parties execution of this Development Agreement. This includes all the necessary watering, weeding, and replacement of any landscaping materials.
3. The Developer agrees to manage the availability of the new ATM Machine in partnership with Deere Harvester Credit Union.
4. Developer acknowledges and agrees that the total cost of the project described in #1a-d above, including site work for landscaping, landscaping materials, site work for electrical feed to support ATM and sign, and the cost for the new sign which will be paid by the City is not exceed the sum of Sixty-Eight Thousand, Eight Hundred Eight (\$68,808.00) Dollars.
5. Developer agrees to commence work on site improvements no later than September 30, 2013 and to have all improvements completed by December 1, 2013. Failure to complete the proposed project by the date herein specified herein shall be considered a material breach of this agreement entitling the City to terminate this agreement by written notice to Developer at his address of such intention not less than thirty (30) days prior to the desired termination date.
6. City agrees to contribute up to the sum of Sixty-Eight Thousand, Eight Hundred Eight Dollars (\$68,808.00) to support the improvements planned for the Property. Monies will be disbursed by the City upon presentation of an invoice from Developer or involved contractor with payment received based on city's payout schedule.
7. Developer hereby acknowledges that City funds in support of the project are derived from Tax Increment Finance (TIF) revenues and hereby agrees to expend said TIF revenues only on those elements of the project that are eligible activities under 65 ILCS 5/11-74.4-4.
8. Developer agrees to obtain all necessary federal, state and local permits for work on the Property and to construct the project in accordance with all applicable laws, including, but not limited to building codes, subdivision and zoning regulations and other applicable laws.

9. Developer hereby acknowledges that use of City funds requires compliance with the Illinois Prevailing Wage Act (820 ILCS 1130) as amended.
10. This Agreement shall be governed and construed in accordance with the laws of the State of Illinois with jurisdiction and venue in Rock Island County, IL.
11. 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 damage or, in the event damages would not fairly compensate the non-defaulting party of this Agreement, the non-defaulting party shall have such other equity rights and remedies as are available at law or in equity.
12. Delays by the Developer or City in performing its obligations hereunder due to acts of God or belligerent wars powers, strikes, fires, floods, explosions, wars, differences with workers, delays in transportation or accidents to 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 Developer's or City's control and not resulting from Developer's or City's fault shall cause an automatic extension of the starting and/or completion dates for the period attributive 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.
13. Time is of the essence of this Agreement.
14. The rights and obligations of the Developer are fully assignable by means of written notice to the City, provided that no assignment shall be deemed to release the assignor of its obligations to the City under this Agreement unless the consent of the City to release of the assignor's obligations is obtained.
15. 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 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.
16. 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.

17. Notices, demands, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent, 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: Embassy Square LLC
c/o Rev. Darryl K. Thompson
Managing Director
PO Box 6495
Rock Island, IL 61204

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

18. This Agreement shall be binding upon and inure to the benefit of the parties hereto, and their devisees, successors and assigns.
19. The preambles contained herein are incorporated in this Agreement by this express reference and made a part hereof.

CITY
CITY OF ROCK ISLAND

DEVELOPER
EMBASSY SQUARE LLC

Thomas Thomas, City Manager

Rev. Darryl K. Thompson
Managing Director

ATTEST:

Aleisha Patchin, City Clerk

A

Centennial
CONTRACTORS
of the Quad Cities, Inc.

1505 46th Avenue Moline, IL 61265
www.cciqc.com
Phone: 309-736-1212 Fax: 309-736-1280

February 8, 2013

Mr. Jeff VanHerzeele
DHCU Community Credit Union

Jeff,

Thank you for allowing Centennial Contractors to quote the ATM Machine Project located at 2367 11th Street Rock Island. After our meeting on site I met with Tri-City Electric to determine how to feed the ATM Machine with power. Our price is based on the following:

ATM Work

- Saw cut and remove paving on south east corner of property behind building next to existing power pole with transformer
- Saw cut and remove paving at ATM location for ATM foundation and bore
- Provide (2) 2" empty raceway directional bored from service pole to ATM location
- Install (1) 100 amp meter socket and ridged steel riser for power company connection located on ATM
- Install 60 amp (due to voltage drop) wiring and terminate at ATM
- Provide pull string in empty 2" conduit for phone company
- Excavate dirt and haul off site for ATM base
- Provide rebar for foundation
- Set up and pour concrete foundation with base plates
- Install two (4) pipe bollards
- Patch paving around new ATM pad
- Permit for foundation work

Total Price ATM Work:

\$ 20,229.00

B



DHCU
PO Box 1550

Moline IL 61266

Contact: Jeff VanHerzeele

CUST # 329

Home-Phone

Office-Phone 796-7508

Fax

Cell-Phone 737-7855

Tax-Code 100

Project Description: ROCK ISLAND - ATM LANDSCAPING - 11TH STREET

INV	QTY	NAME	DESCRIPTION	UNIT	TOTAL
36	2	Malus - Dwarf Sargent Crabapple	2" White flowers	\$230.00	\$460.00
76	27	Juniperus horizontalis - Blue Chip Juniper	3 gallon	\$30.00	\$810.00
87	13	Spirea - Goldflame	5 gallon	\$38.00	\$494.00
63	9	Euonymus alatus - Dwarf Burning Bush	36" B&B	\$49.00	\$441.00
399	6	Physocarpus opulifolius - Diablo Ninebark	5 gallon	\$38.00	\$228.00
306	5	Grass - Ornamental Assortment	5 gallon	\$36.00	\$180.00
38	1	Pyrus calleryana - Capital Pear	2" White flowers	\$230.00	\$230.00
37	1	Malus - Dwarf Tina Crabapple	2" Pink flower	\$230.00	\$230.00
45	1	Syringa mereyi - Dwarf Korean Lilac Tree	24" Head - 48" Std.	\$225.00	\$225.00
489	1	Thuja occidentalis - Emerald Arborvitae	6'-7'	\$70.00	\$70.00
310	127	Hemerocallis - Stella De' Oro	2 gallon	\$10.00	\$1,270.00
175	325	Edging - Brick Edging (End to End)	Linear Feet	\$.80	\$260.00
66	22	Hardwood Shredded Bark Mulch	cubic yard	\$30.00	\$660.00
213	300	Sod	Square Yard	\$2.50	\$750.00
236		Planting Bed Preparation	All Beds		

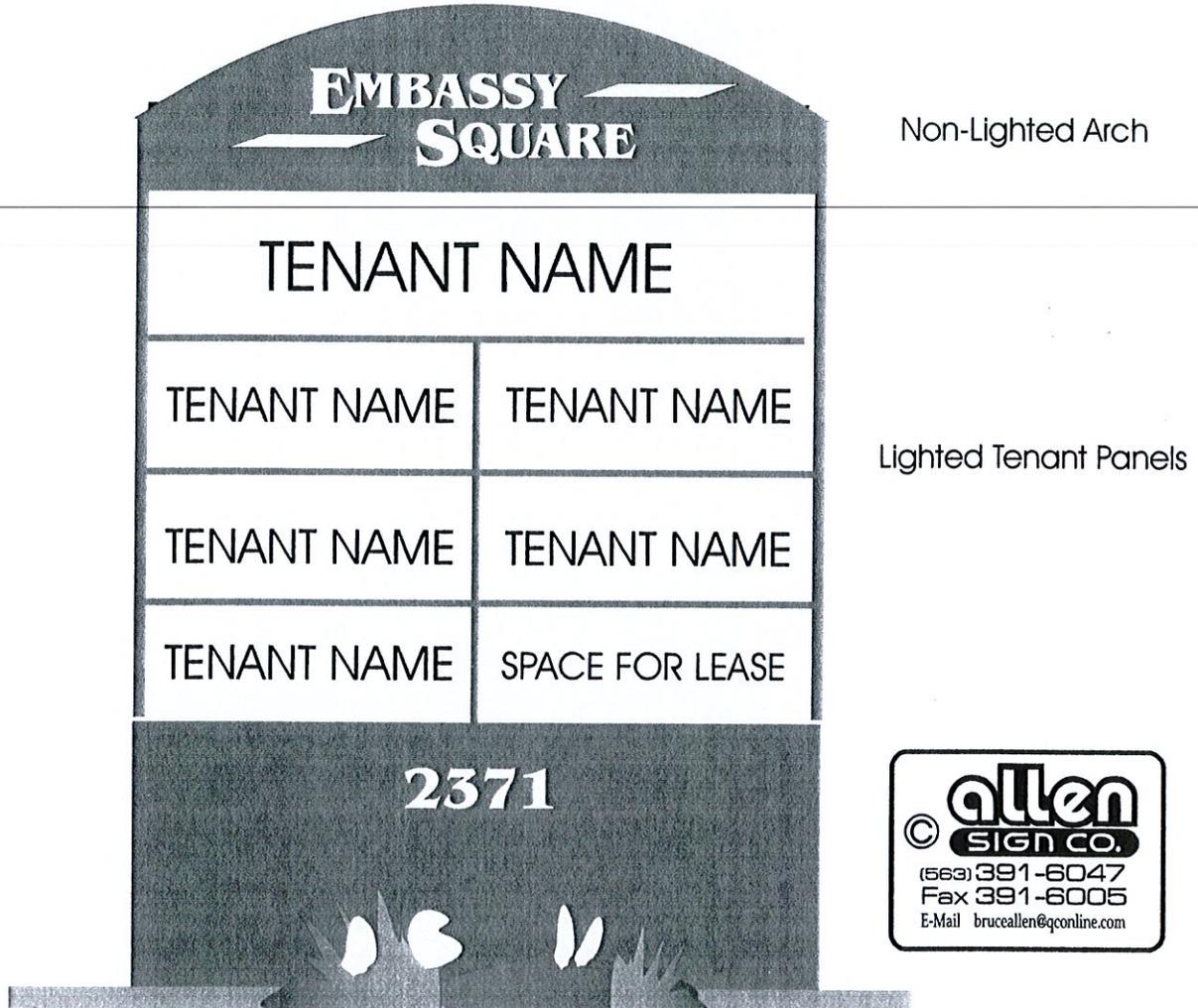
Material	\$6,308.00
Labor	\$9,101.00
Tax	\$425.79
Total	\$15,834.79

THIS PROPOSAL HAS BEEN ESTIMATED USING ROCK ISLAND COUNTY PREVAILING WAGE RATES

D

Preliminary Design/Quote

Site Survey of ground conditions at final location will need completed for final quote



Quote includes estimate only for EITHER removal of existing pole OR cutting height down to accommodate new Monument sign, for best cost application. If other location selected, new installation estimate will be required. Concrete excavation into parking lot will add @ 300\$ to ^{*} the following prices & will not include existing pole removal..

Double-Faced Cabinet quoted in two overall sizes:

X 8' Wide x 12' High: ~~\$12,520.00~~ plus tax, installed X \$8,960

7' Wide x 10' High: \$9700.00 plus tax, installed

For alternate sizes, please contact us

If Single -sided design, turned to face road: Deduct 10%.

Will include tenants names only, presented at time of order, additional logos or art time will be billed separately.

** If no underground obstructions.*

BOARD OF ZONING APPEALS

BOARD OF ZONING APPEALS 2013-14 Aerial

Legend



Parcels



Subject Property

DR. BY: K.G.D.

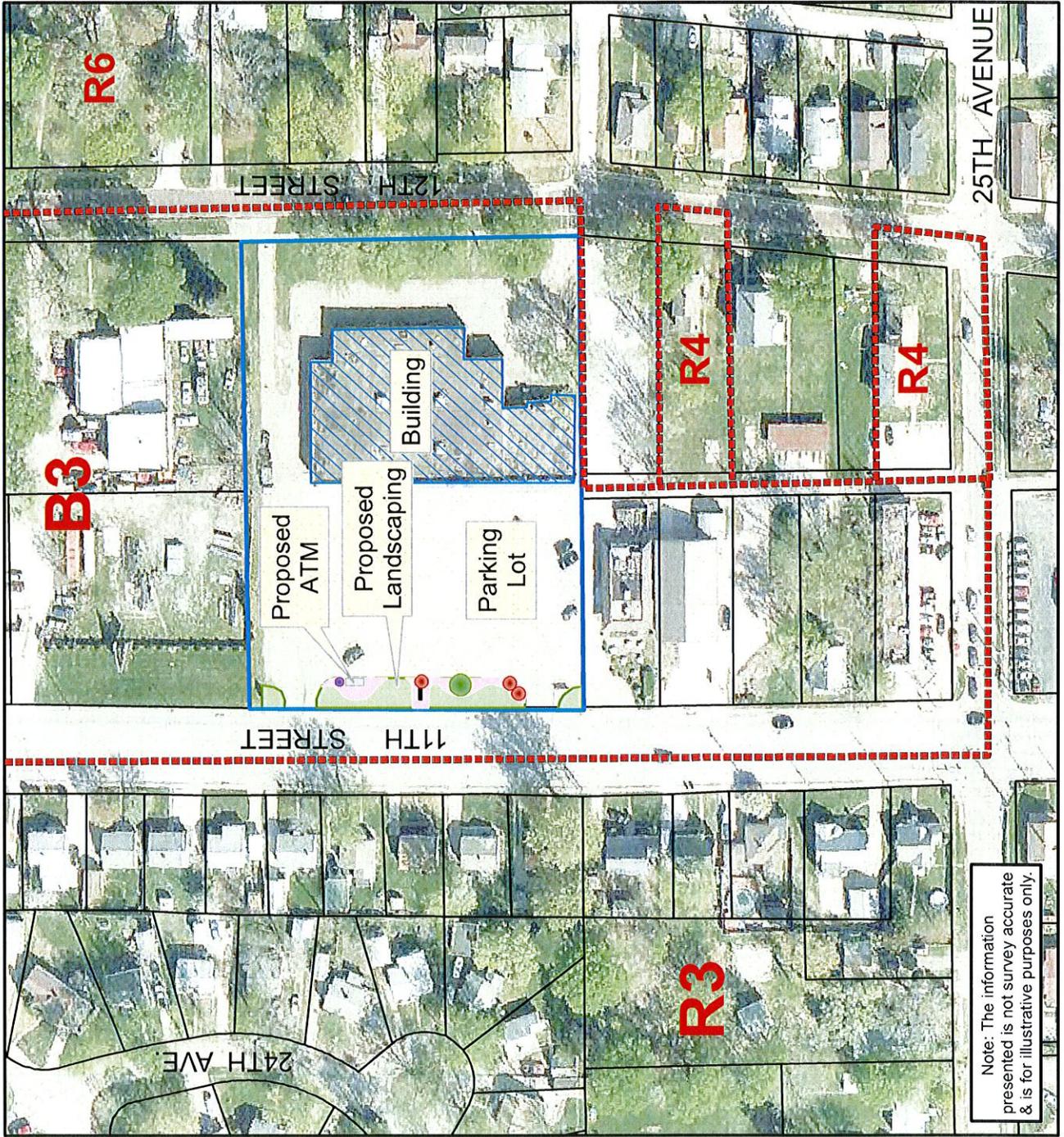
APPR. BY: B.G./A.F.



0 25 50 100 150 Feet

City of Rock Island

COMMUNITY AND ECONOMIC
DEVELOPMENT DEPARTMENT
Planning and Redevelopment



Note: The information presented is not survey accurate & is for illustrative purposes only.

