

**Memorandum  
Community and Economic Development**



**To:** Thomas Thomas, City Manager  
**Subject:** 722 11<sup>th</sup> Street Development (Jesse Mart)  
**Date:** August 18, 2015

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The City of Rock Island has worked with Jesse Mart regarding his development at 722 11<sup>th</sup> Street which includes: adding gas pumps to the convenience store, renovations to the convenience store and renovations to the Laundromat which are estimated to exceed \$800,000. The City has already committed the following incentives to the project.

- \$15,000 façade grant – An award letter has already been completed.
- CIRLF Committee approved an \$80,000 loan at its Monday August 10<sup>th</sup> meeting.

Jesse Mart has additionally requested a rebate of 100% of the increase in property taxes over the taxes currently being paid on the property until 2023 (End of the North 11<sup>th</sup> Street TIF agreement). This request has been put into the attached development agreement.

**RECOMMENDATION:**

CED staff recommends Council approve the development agreement with Jesse Mart and authorize the City Manager to execute the agreement.

**Submitted by:** Jeffery A. Eder, Assistant City Manager / CED Director

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**Approved by:** Thomas Thomas, City Manager

DEVELOPMENT AGREEMENT  
Jesses Mart

THIS AGREEMENT is entered into this \_\_\_\_ day of \_\_\_\_\_, 2015 by and between PSR Petro Mart (DBA Jesses Mart) ("Jesses Mart") and the CITY OF ROCK ISLAND, an Illinois Municipal Corporation ("City").

WHEREAS, Jesses Mart intends redevelop a commercial building and adding gas pumps as part of the implementation of the North 11<sup>th</sup> Street Plan, and;

WHEREAS, it is the intent of the City to support development within the downtown;

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

1. The Jesses Mart will redevelop the property at 722 11<sup>th</sup> Street. The redevelopment includes a commercial gas station, convenience store and a Laundromat.
2. The Jesses Mart agrees that the total costs of the project, including but not limited to land acquisition, site development, planning, engineering, legal services, marketing, professional fees, mortgage interest, construction loan interest, labor and construction materials is estimated to exceed Eight Hundred Thousand Dollars (\$800,000).
3. The City agrees to rebate 100% of the increase in property taxes over the taxes paid as of the date of this agreement until 2023 (the end date of the North 11<sup>th</sup> Street TIF).
4. Jesses Mart 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.
- 6 Jesses Mart hereby acknowledges that use of City funds requires compliance with the Illinois Prevailing Wage Act (820 ILCS 1130) as amended.
- 7 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.

- 8 Jesses Mart hereby agrees to commence work on the Property no later than August 2015 and have all construction work completed and all units ready for occupancy no later than August 2016. Failure to complete construction by the date 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 fourteen (14) days prior to the desired termination date.
- 9 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.
- 10 Delays by the Jesses Mart or City in performing 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 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.
- 11 Time is of the essence of this Agreement.
- 12 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.
- 13 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.

14 Notices, demands, consents, approvals or other instruments required to 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: PSR Petro Mart DBA Jesses Mart  
722 11<sup>th</sup> Street  
Rock Island, IL 61201

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

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

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

17 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 of Rock Island

PSR Petro Mart DBA Jesses Mart

\_\_\_\_\_  
Thomas Thomas, City Manager

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Mr. Singh

ATTEST:

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Aleisha Patchin, City Clerk