

**Memorandum
Community and Economic Development**

To: Thomas Thomas, City Manager
Subject: Riverview Lofts – First Addendum
Date: September 8, 2015



The Riverview Lofts, LLC has requested a modification to its development agreement dated October 9, 2013 requesting additional time to complete the project. Like most redevelopment projects unexpected issues arise during construction, the Riverview Lofts project is no exception. Issues they have experienced which have caused delays include: unexpected construction obstacles which were uncovered during the demolition phase, delays from MidAmerican on utilities, unexpected finding of asbestos during demolition in several different locations.

This amendment has includes language stipulating no additional payouts will take place until the residential portion receives an occupancy certificate from inspections or the specific item outlined in the original agreement is completed.

RECOMMENDATION:

Staff recommends Council approve the first addendum to the Riverview Lofts, LLC Development Agreement and authorize the City Manager to execute the addendum.

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

Approved by: Thomas Thomas, City Manager

First Amendment to the
Riverview Lofts
Redevelopment Agreement

This First Addendum dated ____ day of September, 2015 serves to amend and modify that certain Development Agreement entered into on October 9, 2013 (the "Agreement") by and between Riverview Lofts, LLC ("Developer ") and the City of Rock Island, an Illinois Municipal Corporation (the "City").

WHEREAS, The Developer has requested a modification to the terms and provisions of the Development Agreement dated October 9th, 2013 predicated on the revision to the timeline for work to be conducted and completed on the Riverview Lofts development;

WHEREAS, the City deems it in the best interests and general welfare of the City of Rock Island as a development partner to modify the Development Agreement to include an expanded construction timeline;

NOW therefore, in consideration of the foregoing premises, mutual covenants and conditions herein contained, the parties hereto agree as follows:

1. Paragraph 3 of the Agreement is hereby modified as follows: Developer hereby agrees to commence work on the Property no later than January 2014 and have all construction work completed and all units ready for occupancy no later than July 31, 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.
2. Paragraph 5 of the agreement is modified as follows: No additional payout under this section is to take place until the residential floors (any floor above the ground floor) of the building have received at least a temporary occupancy. Upon receipt of a temporary or full occupancy for the residential floors payouts will continue as outlined in the agreement.
3. Paragraph 6 of the agreement is modified as follows: Last sentence date changed to July 31, 2016.
4. Paragraph 7 of the agreement is modified as follows: Last sentence date changed to July 31, 2016.

All of the terms and provisions of the Agreement, not otherwise amended or modified hereby shall remain in full force and effect. In the event of any conflict between the terms and provisions of the Agreement and this First Addendum, the terms and provisions of this Addendum shall control and prevail.

City of Rock Island

Riverview Lofts, LLC

Thomas Thomas, City Manager

Mark Roemer

ATTEST:

Aleisha Patchin, City Clerk