



**SECTION 2** [Sections 2 through 8 must be completed for each redevelopment project area listed in Section 1.]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF District #5 Chicago Road (Will 3)**

<b>Primary Use of Redevelopment Project Area*:</b> Comm Retail
*Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.
<b>If "Combination/Mixed" List Component Types:</b> Retail Commercial
<b>Under which section of the Illinois Municipal Code was the Redevelopment Project Area designated? (check one):</b>
Tax Increment Allocation Redevelopment Act <span style="float: right;"><u>X</u></span> Industrial Jobs Recovery Law

**Please utilize the information below to properly label the Attachments.**

	No	Yes
For redevelopment projects beginning prior to FY 2022, were there any amendments, to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] <b>If yes, please enclose the amendment (labeled Attachment A).</b> <span style="float: right; color: red;">For</span> <span style="color: red;">redevelopment projects beginning in or after FY 2022, were there any amendments, enactments or extensions to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)]</span> <span style="color: red;"><b>If yes, please enclose the amendment, enactment or extension, and a copy of the redevelopment plan (labeled Attachment A).</b></span>	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] <b>Please enclose the CEO Certification (labeled Attachment B).</b>		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] <b>Please enclose the Legal Counsel Opinion (labeled Attachment C).</b>		X
Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented and a description of the redevelopment activities. [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] <b>If yes, please enclose the Activities Statement (labeled Attachment D).</b>	X	
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] <b>If yes, please enclose the Agreement(s) (labeled Attachment E).</b>		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information (labeled Attachment F).	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] <b>If yes, please enclose the contract(s) or description of the contract(s) (labeled Attachment G).</b>	X	
Were there any reports <u>submitted to</u> the municipality <u>by</u> the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] <b>If yes, please enclose the Joint Review Board Report (labeled Attachment H).</b>	X	
Were any obligations issued by the municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] <b>If yes, please enclose any Official Statement (labeled Attachment I). If Attachment I is answered yes, then the Analysis must be attached (labeled Attachment J).</b>	X	
An analysis prepared by a financial advisor or underwriter, <span style="color: red;">chosen by the municipality</span> , setting forth the nature and term of obligation; projected debt service including required reserves and debt coverage; <span style="color: red;">and actual debt service</span> . [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] <span style="color: red;"><b>If attachment I is yes, the Analysis and an accompanying letter from the municipality outlining the contractual relationship between the municipality and the financial advisor/underwriter MUST be attached (labeled Attachment J).</b></span>	X	
Has a cumulative of \$100,000 of TIF revenue been deposited into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) <b>If yes, please enclose audited financial statements of the special tax allocation fund (labeled Attachment K).</b>		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] <b>If yes, the audit report shall contain a letter from the independent certified public accountant indicating compliance or noncompliance with the requirements of subsection (q) of Section 11-74.4-3 (labeled Attachment L).</b>		X
A list of all intergovernmental agreements in effect to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] <b>If yes, please enclose the list only, not actual agreements (labeled Attachment M).</b>	X	
<span style="color: red;">For redevelopment projects beginning in or after FY 2022, did the developer identify to the municipality a stated rate of return for each redevelopment project area? Stated rates of return required to be reported shall be independently verified by a third party chosen by the municipality.</span> <span style="color: red;"><b>If yes, please enclose evidence of third party verification, may be in the form of a letter from the third party (labeled Attachment N).</b></span>	X	

**SECTION 3.1** [65 ILCS 5/11-74.4-5 (d)(5)(a)(b)(d)] and (65 ILCS 5/11-74.6-22 (d) (5)(a)(b)(d)]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF District #5 Chicago Road (Will 3)**

**Provide an analysis of the special tax allocation fund.**

Special Tax Allocation Fund Balance at Beginning of Reporting Period \$ 339,404

SOURCE of Revenue/Cash Receipts:	Revenue/Cash Receipts for Current Reporting Year	Cumulative Totals of Revenue/Cash Receipts for life of TIF	% of Total
Property Tax Increment	\$ 207,094	\$ 759,674	100%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest			0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources			0%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

**All Amount Deposited in Special Tax Allocation Fund** \$ 207,094

**Cumulative Total Revenues/Cash Receipts** \$ 759,674 100%

**Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)** \$ 180,199

**Transfers to Municipal Sources**

**Distribution of Surplus**

**Total Expenditures/Disbursements** \$ 180,199

**Net/Income/Cash Receipts Over/(Under) Cash Disbursements** \$ 26,895

**Previous Year Adjustment (Explain Below)**

**FUND BALANCE, END OF REPORTING PERIOD\*** \$ 366,299

\* If there is a positive fund balance at the end of the reporting period, you must complete Section 3.3

**Previous Year Explanation:**

**SECTION 3.2 A** [65 ILCS 5/11-74.4-5 (d) (5) (c) and 65 ILCS 5/11-74.6-22 (d) (5)(c)]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF District #5 Chicago Road (Will 3)**

**ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND  
PAGE 1**

Category of Permissible Redevelopment Cost [65 ILCS 5/11-74.4-3 (q) and 65 ILCS 5/11-74.6-10 (o)]	Amounts	Reporting Fiscal Year
1. Cost of studies, surveys, development of plans, and specifications. Implementation and administration of the redevelopment plan, staff and professional service cost.		
Professional Services	5,800	
Payout Expense	79,399	
		\$ 85,199
2. Annual administrative cost.		
		\$ -
3. Cost of marketing sites.		
		\$ -
4. Property assembly cost and site preparation costs.		
		\$ -
5. Costs of renovation, rehabilitation, reconstruction, relocation, repair or remodeling of existing public or private building, leasehold improvements, and fixtures within a redevelopment project area.		
		\$ -
6. Costs of the construction of public works or improvements.		
		\$ -

**SECTION 3.2 A**  
**PAGE 2**

7. Costs of eliminating or removing contaminants and other impediments.		
		\$ -
8. Cost of job training and retraining projects.		
		\$ -
9. Financing costs.		
Transfer out (Debt Services)	95,000	
		\$ 95,000
10. Capital costs.		
		\$ -
11. Cost of reimbursing school districts for their increased costs caused by TIF assisted housing projects.		
		\$ -
12. Cost of reimbursing library districts for their increased costs caused by TIF assisted housing projects.		
		\$ -





**SECTION 3.3** [65 ILCS 5/11-74.4-5 (d) (5d) 65 ILCS 5/11-74.6-22 (d) (5d)]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF District #5 Chicago Road (Will 3)**

**Breakdown of the Balance in the Special Tax Allocation Fund At the End of the Reporting Period by source**

**FUND BALANCE BY SOURCE**

\$ 366,299
------------

1. Description of Debt Obligations	Amount of Original Issuance	Amount Designated
<b>Total Amount Designated for Obligations</b>	\$ -	\$ -

2. Description of Project Costs to be Paid	Amount of Original Issuance	Amount Designated
Capital Projects/TIF Incentives	\$	345,000
Other TIF Expenditures	\$	30,000
<b>Total Amount Designated for Project Costs</b>	\$	375,000

<b>TOTAL AMOUNT DESIGNATED</b>	\$ 375,000
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<b>SURPLUS/(DEFICIT)</b>	\$ (8,701)
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**SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]**

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF District #5 Chicago Road (Will 3)**

**Provide a description of all property purchased by the municipality during the reporting fiscal year within the redevelopment project area.**

X
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Indicate an 'X' if no property was acquired by the municipality within the redevelopment project area.

Property (1):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (2):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (3):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (4):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (5):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (6):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

Property (7):	
Street address:	
Approximate size or description of property:	
Purchase price:	
Seller of property:	

**SECTION 5 [20 ILCS 620/4.7 (7)(F)]**

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF District #5 Chicago Road (Will 3)**

**PAGE 1**

**Page 1 MUST be included with TIF report. Pages 2 and 3 are to be included ONLY if projects are listed.**

**Select ONE of the following by indicating an 'X':**

<b>1. <u>NO</u> projects were undertaken by the Municipality Within the Redevelopment Project Area.</b>	
<b>2. The municipality <u>DID</u> undertake projects within the Redevelopment Project Area. (If selecting this option, complete 2a and 2b.)</b>	X
<b>2a. The total number of <u>ALL</u> activities undertaken in furtherance of the objectives of the redevelopment plan:</b>	1
<b>2b. The total number of <u>NEW</u> projects undertaken by the municipality in fiscal year 2022 and any fiscal year thereafter, within the Redevelopment Project area, if any.</b>	1

**LIST ALL projects undertaken by the Municipality Within the Redevelopment Project Area:**

<b>TOTAL:</b>	<b>11/1/99 to Date</b>	<b>Estimated Investment for Subsequent Fiscal Year</b>	<b>Total Estimated to Complete Project</b>
Private Investment Undertaken (See Instructions)	\$ -	\$ -	\$ -
Public Investment Undertaken	\$ -	\$ -	\$ -
Ratio of Private/Public Investment	0		0

**Project 1 Name: Steger Storage LLC**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 2 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 3 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 4 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 5 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

**Project 6 Name:**

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0



**SECTION 7** [Information in the following section is not required by law, but may be helpful in evaluating the performance of TIF in Illinois.]

**FY 2023**

**Name of Redevelopment Project Area:**

**TIF District #5 Chicago Road (Will 3)**

**Provide a general description of the redevelopment project area using only major boundaries.**

<b>Optional Documents</b>	<b>Enclosed</b>
Legal description of redevelopment project area	
Map of District	




ATTACHMENT B

CERTIFICATION OF THE VILLAGE OF STEGER,  
COUNTIES OF COOK AND WILL, STATE OF ILLINOIS

*REGARDING*

COMPLIANCE WITH TAX INCREMENT ALLOCATION REDEVELOPMENT ACT  
DURING THE FISCAL YEAR ENDING DECEMBER 31, 2023  
TIF DISTRICT #5 CHICAGO RD (WILL 3)

As the Village President and Chief Executive Officer of the Village of Steger, Counties of Cook and Will, State of Illinois (the "Village") I do hereby certify, to the best of my knowledge and belief, and based solely on information provided to me by Village employees and consultants responsible for preparing the annual report required by the Illinois Tax Increment Allocation Redevelopment Act (the "Act"), that the Village has complied with the provisions of the Act during the fiscal year beginning January 1, 2023 and ending December 31, 2023.

  
\_\_\_\_\_  
Village President

9-30, 2025

Village of Steger – District #5 Chicago Rd. (Will 3)  
Fiscal Year Ending December 31, 2023



DEL GALDO LAW GROUP, LLC

*Attorneys & Counselors*

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**ATTACHMENT C**

September 30, 2025

Hon. Susana A. Mendoza  
Office of the Comptroller  
Attn.: Local Government Division  
555 West Monroe Street, Ste. 1400S-A  
Chicago, Illinois 60661

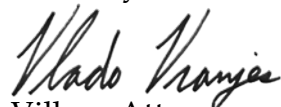
RE: Attorney Review for TIF Compliance  
Village of Steger – TIF District No. 5 (Will County District No. 3)  
Fiscal Year Ending December 31, 2023

Dear Comptroller Mendoza:

This letter confirms that the law firm of Del Galdo Law Group, LLC serves as legal counsel for the Village of Steger, Illinois (“Village”). At the request of the Village, we have reviewed the information and documentation provided by Village staff and the Village’s consultants concerning the administration of the above-referenced TIF District.

Based upon our review, and to the best of our knowledge and belief, it is our opinion that the Village of Steger has complied with the applicable requirements of the Illinois Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 et seq.) with respect to the TIF District for the fiscal year ending December 31, 2023.

Sincerely,

  
Village Attorney

## **Exhibit E**

The Village of Steger entered into a Redevelopment Agreement with Steger Storage LLC, which purchased a 111,000 square foot existing warehouse with the intention of converting it into a storage facility. (Attached)

THIS DOCUMENT PREPARED BY, AND  
AFTER RECORDING RETURN TO:

Prepared by:  
Vlado Vranjes  
Del Galdo Law Group LLC - Chicago  
111 N. Wabash Ave, Suite 908  
Chicago, Illinois 60602

MSG/TB  
Steger Storage LLC  
5514 Lincoln Ave #200  
Lisle, IL 60532

R2024064341

KAREN A. STUKEL  
WILL COUNTY RECORDER  
RECORDED ON  
12/05/2024 02:44:56 PM  
REC FEE: 52.00  
IL RENTAL HSNQ:  
PAGES: 41  
BSLEH

This space reserved for Recorder's use only.

**REDEVELOPMENT AGREEMENT**

This Redevelopment Agreement (this "Agreement") dated as of 11/6/23, 2023 (the "Effective Date") by and between the VILLAGE OF STEGER, an Illinois municipal corporation, ("Village") and STEGER STORAGE, LLC, a Delaware limited liability company, ("Developer"). The Village and Developer may, for convenience purposes only, be referred to as the "Parties" or each individually as a "Party."

**RECITALS**

A. The Village is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois and is a "home rule unit" under Section 6 of Article VII of the 1970 Constitution.

B. As a unit of local government under the laws of the State of Illinois, the Village has the authority to promote and protect the health, safety and welfare of the Village and its residents, to prevent the spread of and eradicate blight, to encourage private development to enhance the local tax base, to create employment opportunities and to enter into contractual agreements with third parties to achieve these goals.

C. The Village has undertaken a program for the redevelopment of certain property within the Village, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, et seq., as amended (the "TIF Act" or "Act") to, among other things, finance redevelopment projects in accordance with the TIF Act.

D. In accordance with the conditions and requirements set forth in the TIF Act, the Village, pursuant to Ordinances Numbered 1119, 1120, and 1121 (the "TIF Ordinances"), all adopted on March 7, 2016, approved a redevelopment plan and project (the "Redevelopment Plan"), setting forth a plan for the development, redevelopment and revitalization of the Redevelopment Project

1041

Area; designated a redevelopment project area known as the Chicago Road Redevelopment Project Area (the "**Redevelopment Project Area**"); and adopted tax increment allocation financing for the Redevelopment Project Area.

E. Developer is the owner, lessee, contract purchaser or the nominee purchaser of an improved property located at 3601 Chicago Road, Steger, Illinois and legally described in Exhibit A, which is attached and incorporated into this Agreement, (the "**Property**") and is within the boundaries of the Redevelopment Project Area.

F. In accordance with this Agreement and the Redevelopment Plan, Developer is proposing to convert an existing warehouse building into an approximately 111,000 square foot self-storage facility in Steger, Illinois, all as depicted in Exhibit B (the "**Improvements**") and as more fully described herein (collectively, the "**Project**").

G. To induce Developer to undertake the Project, the Village President and Board of Trustees (collectively, the "**Corporate Authorities**") have determined that it is in the best interests of the Village and its residents to reimburse Developer for actual, documented Reimbursable Project Expenses (as defined below), which are further described and provided for in this Agreement, not exceeding the amount of the Village Incentive (as defined below).

H. The Corporate Authorities have determined that: (i) the Project would be, in all respects, consistent with and in furtherance of the Redevelopment Plan, (ii) the completion of the Project would not reasonably occur without the Village Incentive contemplated in this Agreement, and (iii) as a direct benefit of this Agreement and the construction of the Project, the equalized assessed value of the Property and the Redevelopment Project Area will increase.

I. Developer understands and acknowledges its legal obligation to pay *ad valorem* real estate taxes that will be levied by the various taxing districts authorized to levy taxes on the Property. Developer's failure to meet its legal obligations and pay such *ad valorem* real estate taxes will result in a lack of property tax increment needed to pay Developer's Share (as defined herein). Developer also acknowledges that if it chooses to contest the amount of *ad valorem* real estate taxes to be levied on the Property by the various taxing districts authorized to levy the same, there may be insufficient property tax revenues to pay Developer's Share (as defined herein) or Developer's Share may be reduced; provided however, the Parties acknowledge that nothing contained in this Agreement shall act as a restriction or limitation on Developer's ability to contest the amount of *ad valorem* real estate taxes levied on the Property.

J. Subject to the terms and conditions of this Agreement, the Developer has agreed, in reliance on the Village's commitments set forth in this Agreement, to complete the Project and take certain other actions, all in accordance with this Agreement.

K. Subject to the terms and conditions of this Agreement, the Village has agreed, in reliance on Developer's commitments set forth in this Agreement, to provide the Village Incentive for the Project.

L. The Parties desire to enter into this Agreement to set forth the rights, duties, and obligations of and between the Parties regarding the undertaking and implementation of the Project and desire to establish certain conditions regarding the Village's approval of the Project and the Village's reimbursement of certain Reimbursable Project Costs from the Project Incremental Taxes (as defined herein).

M. The Village is authorized to enter into this Agreement and take all actions contemplated by it pursuant to the authority provided under the Act.

NOW, THEREFORE, in consideration of the mutual covenants and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

#### **ARTICLE 1: RECITALS, DEFINITIONS AND TERM**

**Section 1.01. Recitals.** The statements, representations, covenants and recitations set forth in the foregoing recitals are material to this Agreement and are incorporated into and made a part of this Agreement as though they were fully set forth herein. The parties acknowledge the accuracy and validity of such statements, representations, covenants and recitations.

**Section 1.02. Definitions.** All terms in this Agreement with initial capitalized letters shall have the meanings ascribed to them in Exhibit D of this Agreement.

**Section 1.03. Term.** This Agreement shall be in full force and effect from the Effective Date and shall continue in effect, unless earlier terminated pursuant to the terms of this Agreement, until the Developer has received the full amount of the Village Incentive or the December 31, 2040, whichever event occurs first (the "Term").

#### **ARTICLE 2: REPRESENTATIONS AND WARRANTIES**

**Section 2.01. Representations of the Village.** The Village makes the following representations and warranties, which are true and correct on the date hereof:

A. Due Authority. The Village has full lawful right, power and authority, under current applicable law, to execute, deliver and perform the terms and obligations of this Agreement, and all of the foregoing have been or will be duly and validly authorized and approved by all necessary Village proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid, and binding obligation of the Village, enforceable in accordance with its terms.

B. No Defaults or Violation of Law. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing. To the best of the Village's knowledge, the TIF Ordinances, the Redevelopment Plan and the

Redevelopment Project Area have been adopted and approved in accordance with the Laws (as defined below).

C. Litigation. To the best of the Village's knowledge, there is no litigation, proceeding or investigation pending or threatened against the Village with respect to the Redevelopment Plan or this Agreement. In addition, to the best of the Village's knowledge, there is no other litigation, proceeding or investigation pending or threatened against the Village seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of the Village to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by the Village of the terms and provisions of this Agreement.

**Section 2.02. Representations of Developer.** Developer makes the following representations and warranties, which are true and correct on the date hereof:

A. Due Authority. Developer has all necessary power and authority to execute, deliver and perform the terms and obligations of this Agreement and to execute and deliver the documents required of Developer herein, and such execution and delivery have been duly and validly authorized and approved by all necessary proceedings. Accordingly, this Agreement constitutes the legal, valid, and binding obligation of Developer, enforceable in accordance with its terms.

B. No Defaults or Violation of Law. The execution and delivery of this Agreement, the consummation of the transactions contemplated hereby, and the fulfillment of the terms and conditions hereof do not and will not conflict with or result in a breach of any of the terms or conditions of any corporate or organizational restriction or of any agreement or instrument to which it is now a party, and do not and will not constitute a default under any of the foregoing or violate any Law.

C. Litigation. To the best of Developer's knowledge, there is no litigation, proceeding or investigation pending or threatened against Developer seeking to restrain, enjoin or in any way limit the approval or issuance and delivery of this Agreement or which would in any manner challenge or adversely affect the existence or powers of Developer to enter into and carry out the transactions described in or contemplated by the execution, delivery, validity or performance by Developer of the terms and provisions of this Agreement.

D. No Material Change. Developer has not experienced a materially adverse change in the business, financial position or results of its operations that could reasonably be expected to adversely affect Developer's ability to perform its obligations pursuant to this Agreement.

E. Corporate Consents. Except for the Governmental Approvals (as defined herein), no consent or approval is required to be obtained from, and no action need be taken by, or document filed with, any governmental body or corporate entity in connection

with the execution, delivery and performance by Developer of this Agreement.

F. No Default. No default or event of default has occurred and is continuing, and no event has occurred and is continuing which with the lapse of time or the giving of notice, or both, would constitute a default or an event of default in any material respect on the part of Developer under this Agreement, or any other material agreement or material instrument to which Developer is a party or by which Developer is bound.

G. Compliance with Laws. To the best of Developer's knowledge, Developer is complying in all material respects with all valid laws, ordinances, orders, decrees, decisions, rules, regulations, and requirements and resolutions of every duly constituted governmental authority, commission and court applicable to any of its affairs, business, operations as contemplated by this Agreement, including, without limitation, the Village Code (as defined below).

H. Other Disclosures. The information furnished to the Village by Developer in connection with the matters covered in this Agreement is true and correct, or is the result of good faith estimates where applicable, and does not contain any untrue statement of any material fact and does not omit to state any material fact required to be stated therein or necessary to make any statement made therein, in light of the circumstances under which it is made, not misleading. Developer represents and warrants that "but for" the incentives to be provided in this Agreement, it would not undertake the Project.

**Section 2.03. Survival of Representations and Warranties.** The Parties agree that all of their respective representations and warranties set forth in this Article 2 are true as of the Effective Date and will be true in all material respects at all times hereafter during the Term, except with respect to matters which have been disclosed in writing to and approved in writing by the other party or as otherwise specifically set forth herein.

### ARTICLE 3: DEVELOPMENT OF THE PROJECT

**Section 3.01. Developer Covenant to Redevelop.** Developer, at its sole cost and expense, shall redevelop, construct and rehabilitate the Property and shall cause or has caused the Project to be completed on the Property in accordance with this Agreement (and all exhibits attached hereto), the Project Schedule, the Governmental Approvals, the Project Budget, the Redevelopment Plan and all Laws applicable to the Property, the Project and Developer. The covenants set forth in this Article 3 shall run with the land and be binding upon any transferee of the Property and shall be deemed satisfied upon acceptance by the Village of the respective Certificate of Substantial Completion as set forth in Section 3.10.

**Section 3.02. Project Schedule.** Absent an event of Force Majeure (see Section 8.14), Developer shall commence and substantially complete the Project, including the Improvements, in accordance with the schedule attached as Exhibit C (the "Project Schedule"). The Project Schedule may be modified as necessary by Developer with the prior written consent of the Village. The Project Schedule shall minimally contain specific benchmark dates for Developer's

commencement of the construction of the Project, and completion of the Project. Developer shall commence the construction of the Project within ninety (90) days of the Effective Date of this Agreement (the "Project Commencement Date"). Completion of the Project shall be evidenced by Developer or its authorized representative submitting a Certificate of Substantial Completion for approval by the Village no later than 365 calendar days after the Project Commencement Date, subject to Force Majeure. An event of Force Majeure shall not be deemed a material modification as contemplated by this Section 3.02.

**Section 3.03. Plans and Specifications.** The Developer shall submit or shall have submitted to the Village for its approval, the Plans and Specifications for the Project. The Plans and Specifications may be submitted in phases or stages. The Village shall review and approve the Plans and Specifications in an expedited and good faith manner. The Plans and Specifications shall be prepared and sealed by a professional engineer or architect licensed to practice in the State of Illinois. All construction practices and procedures with respect to the Project shall be in material conformity with all Laws. The Plans and Specifications shall be in sufficient completeness and detail to show that construction will be in material conformance with this Agreement.

A. Material Change. Any material change to the Plans and Specifications must be submitted to the Village for its written approval, which approval shall not be unreasonably withheld or delayed. The Village's Administrator, or her designee, shall review and approve or disapprove any such proposed modification within thirty (30) days after submission by Developer. Any approved material change to the Plans and Specifications shall not be deemed to imply any obligation on the part of the Village to increase the Village Incentive or to provide any other additional assistance to Developer.

B. Limitation. The Village's approval of the Plans and Specifications under Section 3.03 shall not apply to the building permit review process. Nothing in this Section is a substitute for and does not eliminate the requirement that Developer apply for and receive any or all necessary building permits for construction of the Project.

**Section 3.04. Project Approvals.**

A. Permits. Before Developer commences construction of the Project, Developer or its contractors or representatives shall, at their expense, secure or cause to be secured all applicable permits that may be required for the Project or for the portion of the Project to be performed, as required by all Laws (as defined below). The Village shall undertake a good faith review of the submissions for permits or approvals and provide comments to any submission of Developer within ten (10) business days after receipt of the permit application. The Village shall not oppose any application pending before another governmental body or agency, provided such application is consistent with all Legal Requirements (as defined below), subject to applicable variances as may be required for the construction of the Project in accordance with the Plans and Specifications. The Project Schedule shall be extended and enlarged on a day for day basis for all additional days taken by the Village to review the Plans and Specifications.

B. Compliance. The Project shall materially comply with all applicable federal, state,

county, municipal or administrative laws, ordinances, rules, regulations, codes, and orders, subject to applicable variances, as the case may be (collectively, the "Legal Requirements" or "Laws") relating in any manner to the Project.

**Section 3.05. Construction of Project.** The Parties agree and acknowledge that the Project shall be completed in material conformance with the Plans and Specifications. Developer shall construct or cause the construction of the Project on the Property and in compliance with the covenants set forth herein. As fully set forth in the approved Plans and Specifications, the Improvements shall include those matters set forth in Exhibit B.

**Section 3.06. Developer Standard of Care.** Developer shall design and construct or cause to be designed and constructed the Project: (i) in a good and workmanlike manner and free of defects; and (ii) in accordance with all applicable Laws and the terms of this Agreement (including its exhibits and attachments).

**Section 3.07. Contractors and Subcontractors.** Developer shall not enter into any agreement or contract, the costs of which are eligible for reimbursement hereunder, that could be construed as self-dealing or negotiated on other than an arms-length, competitive basis. Any such agreement or contract, exclusive of professional services, shall be awarded through competitive bidding. Developer shall provide, within five (5) business days of written request by the Village, copies of all agreements and contracts with a third-party in connection with the Project.

**Section 3.08. Governmental Approvals.** Developer agrees to employ reasonable and good faith efforts to secure and comply with all Governmental Approvals, timely paying all application fees and submitting all applications and permits. The Village agrees to employ reasonable and good faith efforts to cooperate with Developer and to process and timely consider and respond to all applications for the Governmental Approvals as received, all in accordance with the Laws, including, without limitation, the applicable provisions of the Village Code and laws of the State of Illinois.

**Section 3.09. Prevailing Wage Act.** Developer shall comply with and shall require its contractor(s) to comply with the Illinois Prevailing Wage Act, 820 ILCS 130/0.01 *et seq.*, in relation to the development and construction of the Project with the Illinois Prevailing Wage Act, to the extent that it applies, shall be the obligation of Developer, and Developer shall indemnify and hold harmless the Village from and against liabilities that might attach for non-compliance by Developer or its contractor(s) or subcontractor(s).

The Prevailing Wage Act requires contractors and subcontractors to pay laborers, workers, and mechanics performing services on public works projects no less than the current "prevailing rate of wages" (hourly cash wages plus amount for fringe benefits) in the county where the work is performed. The Illinois Department of Labor (the "Department") publishes the prevailing wage rates on its website at <http://labor.illinois.gov/>. The Department revises the prevailing wage rates and Developer's contractors and subcontractors have an obligation to check the Department's website for revisions to prevailing wage rates. Information regarding current prevailing wage rates is available at the Department's website. All of Developer's contractors and subcontractors rendering services contemplated by this Agreement must comply with all requirements of the

Prevailing Wage Act, including but not limited to, all wage requirements and notice and record keeping duties.

**Section 3.10. Certificate of Substantial Completion.**

A. Submission of Certificate. Promptly, and not more than thirty (30) business days after substantial completion of the Project in accordance with the provisions of this Agreement, Developer shall submit a certificate of substantial completion to the Village for the Project (the "**Certificate of Substantial Completion**"). The Certificate of Substantial Completion shall be in substantially the form attached as Exhibit E. The Village shall, within sixty (60) days following delivery of the Certificate of Substantial Completion, carry out such inspections as it deems necessary to verify to its reasonable satisfaction the accuracy of the certifications contained in the Certificate of Substantial Completion. Along with the Certificate of Substantial Completion, Developer shall provide sufficient lien waivers, sworn contractor's affidavits, and other such documentation to evidence the completion of the Project. The Certificate of Substantial Completion shall be deemed accepted by the Village unless, prior to the end of the sixty (60)-day inspection period set forth above, the Village furnishes Developer with specific written objections to the status of the Project, describing such objections and the measures required to correct such objections in reasonable detail, which may include, as applicable, photographs or other documentary evidence. The time limits set forth in this paragraph shall be extended by the duration of time reasonably necessary for Developer to respond to such written objections by the Village; provided, however, that absent delays by Developer in responding to such objections, the Village shall accept or furnish written objections to the Certificate of Substantial Completion within the sixty (60)-day inspection period described above. Upon acceptance of the Certificate of Substantial Completion, which acceptance shall be conclusively determined upon the lapse of sixty (60) days after delivery thereof without any written objections thereto, Developer may record the Certificate of Substantial Completion with the Will County Recorder of Deeds, and the same, absent fraud, shall be conclusive evidence of the satisfaction of Developer's agreements and covenants to construct the Project and Developer's satisfaction of its obligations under this Article. Notwithstanding anything to the contrary contained herein, the Village shall have no obligation to issue a Certificate of Substantial Completion for the Project.

B. Limitation. The Certificate of Substantial Completion relates only to the construction of the Project, and upon issuance, the Village will certify that the terms of the Agreement specifically related to Developer's obligation to complete such activities have been satisfied. All executory terms and conditions of this Agreement and all representations, warranties and covenants, except as limited above, contained herein will continue to remain in effect throughout the Term and the issuance of the Certificate of Substantial Completion shall not be construed as a waiver by the Village of any rights and remedies pursuant to such terms.

**Section 3.11. Survival of Covenants.** The covenants set forth in this Article 3 shall run with the land and be binding upon any successor in interest or transferee.

## ARTICLE 4: FINANCING—SOURCE OF FUNDS

**Section 4.01. Developer to Advance Project Costs.** Developer agrees to advance all Project Costs as necessary to complete the Project on its behalf, subject to Developer's right to seek reimbursement from the Village for Reimbursable Project Costs as provided herein. The Developer, upon the Village's request in writing, shall provide proof of sufficient funds necessary to complete the Project in the form of bank statements or other commercially reasonable documentation as determined by the Developer in its reasonable discretion.

**Section 4.02. Project Budget.** The Project Costs are estimated to be at least Eleven Million Four Hundred Fifty Thousand Dollars and No Cents (\$11,450,000.00) (the "**Project Budget**"). The Village has approved the Project Budget setting forth the projected and anticipated Project Costs, and it is attached hereto as Exhibit F. Developer certifies to the Village that (i) the Village Incentive (as defined below), together with any Lender Financing and Equity, shall be sufficient to complete the Project, and (ii) the Project Budget, as may be amended with written approval from the Village, is and shall be true, correct and complete in all material respects.

**Section 4.03. Source of Funds.** The cost of the Project is estimated to be at least Eleven Million Four Hundred Fifty Thousand Dollars and No Cents (\$11,450,000.00) to be applied in the manner set forth in the Project Budget. Developer shall maintain no less than twenty-five percent (25%) of Equity in the Project. The Equity, the Lender Financing and the Village Incentive shall comprise the complete funding for the Project Budget.

**Section 4.04. Equity/Lender Financing.** Equity and/or Lender Financing may be used to pay any Project Costs, including but not limited to Reimbursable Project Costs. Developer, within five (5) days of the Effective Date shall disclose in writing to the Village the amount being paid as equity and being financed upon written request by the Village. Developer shall personally guaranteed any Developer.

### **Section 4.05. Village Assistance, Cooperation and Contribution.**

A. Village Assistance and Cooperation. The Village agrees to carry out the terms and objectives of this Agreement by giving notices, holding hearings and considering the enactment of resolutions and ordinances and the amendments thereto, all at no cost to the Village.

B. Village Incentive. Subject to the terms of this Agreement, the Village agrees to reimburse the Developer exclusively for Reimbursable Project Costs related to the Project in an amount not to exceed Two Million One Hundred Thirty-Two Thousand Six Hundred Dollars and no Cents (\$2,132,600.00) (the "Village Incentive") during the Term; provided that the Village receives at least Three Million Forty-Seven Thousand Dollars and No Cents (\$3,047,000.00) in Project Incremental Taxes (as defined below) during the Term. If the Village receives less than \$3,047,000.00 in Project Incremental Taxes during the Term, the maximum amount of the Village Incentive shall be reduced to seventy percent (70%) of the actual amount of Project Incremental Taxes that the Village receives from Will County. The Village Incentive shall be paid as set forth in this Agreement.

*i. Determination of Reimbursable Project Costs for the Project.* Concurrently with the submission of the Certificate of Substantial Completion for the Project, Developer shall provide to the Village the Certificate of Reimbursable Project Costs for the Project in substantially the form attached hereto as Exhibit G, along with all supporting information and documentation required by the Village to confirm that Developer has satisfied and discharged its obligations under this Agreement. The Village shall either accept or reject, with comments, the Certificate of Reimbursable Project Costs within thirty (30) days after the submission thereof. If the Village determines that any cost identified as a Reimbursable Project Cost is not a "redevelopment project cost" under the TIF Act, this Agreement or the Redevelopment Plan, the Village shall notify Developer in writing within this thirty (30)-day period, identifying the ineligible cost and the basis for determining the cost to be ineligible, whereupon Developer shall have the right (i) to challenge in writing the Village's determination of ineligibility under the Act of certain submitted redevelopment project costs, or (ii) to identify and substitute other Project Costs as Reimbursable Project Costs with a supplemental application for payment, subject to the limitations of this Agreement and the TIF Act; provided, the Reimbursable Project Costs identified in the Project Budget, if they have been incurred by the Developer, are deemed to be "redevelopment project costs" under the TIF Act and are accepted by the Village. Within said thirty (30)-day period, the Village may also request such additional information from the Developer as may be reasonably required to process the requested reimbursement, and the time limits set forth in this paragraph shall be extended by the duration of time necessary for the Developer to respond to such request by the Village; provided, however, that absent delays by the Developer in responding to such requests, the Village shall issue its determination on the respective Certificate of Reimbursable Project Costs within the thirty (30) day period described above. If Developer challenges the Village's determination that certain submitted redevelopment project costs are ineligible for reimbursement as a Reimbursable Project Cost, the Village shall present the challenged cost to the Village's Board of Trustees (the "**Village Board**") within seven (7) days after the Developer delivers the notice of challenge to the Village. The Village Board shall consider the challenged costs at its first regularly scheduled meeting of the Village Board after delivery of the notice of challenge and at that meeting, shall vote on the eligibility of the challenged costs for reimbursement. The Village Board's determination as to whether the claimed redevelopment project costs are eligible for reimbursement shall be final. Notwithstanding anything contained herein to the contrary, Reimbursable Project Costs shall be limited to the expenditures of the Developer for each such line item identified as a "Reimbursable Project Cost" on Exhibit G, and Reimbursable Project Costs may be allocated to and transferred from one line item to another line item within the same improvement, without the prior written consent of the Village up to the maximum aggregate amount established for the Project. The maximum aggregate amount of approved Reimbursable Project Costs shall not exceed the amount of the Village Incentive.

*ii. Developer's Payment.* The Village's payments to Developer solely from the Developer's Share of Project Incremental Taxes shall be made once annually starting on April 1<sup>st</sup> following the approval of the Certificate of Reimbursable Project Costs. Subsequent payments to Developer shall be made on each subsequent April 1<sup>st</sup> or until: (i) the Village has fully paid the Village Incentive to the Developer, (ii) the expiration of the

Term, or (iii) the early termination of this Agreement, whichever event occurs first. All payments are subject to the terms, conditions and limitations contained in this Agreement. The Village's obligation to make annual payments to Developer by April 1<sup>st</sup> of a calendar year is subject to sufficient Available Project Incremental Taxes (as defined below) being deposited into the Sub-Account (as defined below) for such payments. If, at the expiration of the Term or early termination of the Agreement, any outstanding financial obligation under this Agreement exists, such outstanding financial obligation shall be forgiven in full by the Developer, and the Village shall have no obligation to pay such outstanding financial obligation upon the expiration of the Term.

C. No General Obligation. Developer acknowledges and agrees to the following: Any incentives provided by the Village hereunder shall not constitute a general obligation of the Village, nor shall it be secured by the full faith and credit of the Village. Any Village Incentives to be paid shall be payable solely from Developer's Share of Project Incremental Taxes deposited from time to time into the Sub-Account. Insufficiency of funds in the Sub-Account to allow the Village to pay any incentive when due shall not be a default thereon. The Village's obligation to pay any incentive is contingent upon satisfaction of the terms and conditions of this Agreement. The Village shall have no obligation to pay any Village Incentive, if there exists an event of default which is continuing. The Village shall be under no obligation to make any payments prior to its receipt and approval of Exhibit F.

D. Conditional Grant. The Village's obligation to pay the Village Incentive is contingent upon Developer satisfying the terms and conditions of this Agreement. The Village shall have no obligation to pay the Village Incentive if Developer fails to perform or discharge its obligations under this Agreement and Developer's nonperformance is continuing.

E. Documentation. The Village shall place and keep on file with the office of the Village Clerk all documentation received and distributed pursuant to this Article. Any documents normally exempt from disclosure under the Freedom of Information Act (5 ILCS 140/1.1, et seq.) shall be kept from general disclosure to the extent permitted by Law.

F. Request Made During Default. Notwithstanding any other provisions of this Agreement, the Village shall have no obligation to accept any Request for Reimbursement and no obligation to make any payments if Developer is in Default of this Agreement after written notice and expiration of the applicable cure period, including, without limitation, not being in material compliance with the Laws, Project Schedule, or the Plans and Specifications.

## **ARTICLE 5: COLLECTION AND USE OF INCREMENTAL TAXES**

**Section 5.01. Source of Village Incentive.** The Village Incentive pledged by the Village pursuant to this Agreement to reimburse for Reimbursable Project Costs shall be paid solely from the Developer's Share of Project Incremental Taxes (as defined below) generated in accordance with the TIF Ordinances.

**Section 5.02. Special Tax Allocation Fund.** The Village has or will establish and exclusively maintain a special tax allocation fund, as required by the Act, for the deposit of

Incremental Taxes received by the Village (the "STAF") from the Redevelopment Project Area. The Village has or will promptly establish and maintain a sub-account within the STAF for the deposit of Project Incremental Taxes (as defined below) (the "Sub-Account").

**Section 5.03. Project Incremental Taxes; Developer's Share of Project Incremental Taxes; the Village's Share of Project Incremental Taxes.** In consideration of Developer undertaking and completing its obligations under this Agreement, the Village agrees to reserve and annually pledge and pay to Developer the Developer's Share of Project Incremental Taxes until: (i) Developer has been paid in full the Village Incentive, (ii) the expiration of the Term, or (iii) the early termination of this Agreement, whichever event first occurs.

A. Project Incremental Taxes. "Project Incremental Taxes" shall mean one hundred percent (100%) of the *ad valorem* real estate taxes levied on the Property, collected by the County, and paid to the Village pursuant to the TIF Ordinances and Section 11-74.4-8(b) of the Act, and deposited by the Village into the Sub-Account. Project Incremental Taxes are comprised of the Developer's Share of Project Incremental Taxes (as defined below) and the Village's Share of Project Incremental Taxes (as defined below).

B. Administrative Fee. There shall be no administrative fee. The Project Incremental Taxes are also referred to herein as the "Available Project Incremental Taxes" and shall be disbursed in accordance with Section 5.03(C) of this Agreement.

C. Distribution of Available Project Incremental Taxes. "Developer's Share of Project Incremental Taxes" or the "Developer's Share" shall mean seventy percent (70%) of the Available Project Incremental Taxes. The "Village's Share of Project Incremental Taxes" or the "Village's Share" shall mean the remaining amount of Available Project Incremental Taxes in the Sub-Account after the payment of the Developer's Share. As set forth below, the payment of Developer's Share is limited by the provisions of the Act and this Agreement.

## ARTICLE 6: GENERAL COVENANTS

**Section 6.01. Indemnification.** Developer agrees to indemnify, defend and hold the Village, its employees, agents, independent contractors and consultants (collectively, the "Indemnified Parties") harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs), save those caused by the acts or omissions of the Indemnified Parties, suffered or incurred by the indemnitee arising from or in connection with: (i) the indemnitor's failure to comply with any of the terms, covenants and conditions contained within this Agreement, (ii) the existence of any material misrepresentation or omission in this Agreement, including exhibits, that is the result of information supplied or omitted by the indemnitor or its agents, employees, contractors or persons acting under the control or at the request of the indemnitor, or (iii) the indemnitor's failure to cure any misrepresentation by the indemnitor in this Agreement.

A. Environmental Indemnity. Developer further agree to indemnify, defend and hold the Village's Indemnified Parties harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses, or claims of any kind whatsoever, including without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims, save those caused by the acts or omissions of the Village's Indemnified Parties, asserted or arising under any Environmental Laws incurred, suffered by or asserted against the Village's Indemnified Parties as a direct result of any of the following, regardless of whether or not caused by, or within the control of Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from all or any portion of the Property; or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the Village or Developer or any of its affiliates under any Environmental Laws relating to the Property.

B. Waiver. To the fullest extent permitted by Law, Developer waive any limits to the amount of its obligations to indemnify, defend or contribute to any sums due under any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses, including any claim by any employee of Developer that may be subject to the Workers' Compensation Act, 820 ILCS 305/1 *et seq.* or any other related law or judicial decision.

C. Survivability. The rights and obligations under this Section 6.01 shall survive the termination or expiration of this Agreement with respect to any and all facts, events or circumstances occurring or arising prior to such expiration or termination.

D. Additional Obligations. The parties acknowledge and agree that obligations under this Section 6.01 are in addition to any other obligations of a party under this Agreement.

**Section 6.02. Insurance.** Developer, if directed by the Village in writing, shall procure and maintain at Developer's sole cost and expense, or cause to be provided and maintained, during the Term, the types and limits of insurance specified below, covering all operations under this Agreement, whether performed by Developer or by Developer's Agent.

A. During Construction. From the commencement of any of construction of the Project until issuance of the Certificates of Substantial Completion, Developer shall procure and maintain:

i. Workers Compensation and Employers Liability Insurance. Worker's Compensation Insurance, in accordance with the laws of the State of Illinois, with statutory limits covering all employees providing services under this Agreement and Employer's Liability Insurance with limits not less than \$1,000,000.00 each accident or illness. The Village is to be named as an additional insured on a primary, non-contributory basis.

ii. Commercial General Liability Insurance. Commercial General Liability Insurance with not less than \$2,000,000.00 combined single limits per

occurrence and aggregate for bodily injury, property damage, and personal injury, including, but not limited to, coverage for premises/operations, products/completed operations, broad form property damage, independent contractors, contractual liability, and explosion/collapse/underground hazards. The Village is to be named as an additional insured on a primary, non-contributory basis.

iii. *Automobile Liability Insurance.* Commercial Automobile Liability Insurance, covering all owned, non-owned, and hired vehicles, including the loading and unloading thereof, with limits not less than \$1,000,000.00 combined single limit per occurrence for bodily injury and property damage. The Village is to be named as an additional insured on a primary, non-contributory basis.

iv. *All Risk/Builders Risk.* When Developer undertakes any construction, Developer must provide or cause to be provided All Risk/Builders Risk Insurance at replacement costs for materials, supplies, equipment, machinery and fixtures that are or will be part of the Project. The Village is to be named as an additional insured and loss payee if applicable.

v. *Professional Liability.* When any architects, engineers, construction managers, or other professional consultants perform work in connection with this Agreement, Professional Liability Insurance covering acts, errors, or omissions must be maintained with limits of not less than \$1,000,000.00, including contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work on the Project.

vi. *Valuable Papers.* When any plans, designs, drawings, specifications and documents are produced or used under this Agreement, Valuable Papers Insurance must be maintained in an amount sufficient to pay for the recreation, reconstruction, or restoration of any and all records related to the Project.

vii. *Independent Contractors and Subcontractors.* Developer shall require all independent contractors and subcontractors to procure and maintain insurance as required and submit documentation of the maintenance of such insurance from time to time as required herein.

B. Post-Construction. After the issuance of the Certificates of Substantial Completion, Developer shall procure and maintain the following:

i. *All Risk Property Insurance.* All Risk Property Insurance at replacement value of the Property to protect against loss of, damage to, or destruction of the Project.

C. General Insurance Requirements. Unless otherwise provided above, all insurance policies required pursuant to this Agreement shall:

i. Provide that the insurance policy may not be suspended, voided, canceled, non-renewed, or reduced in coverage or in limits without sixty (60) days' prior written notice by certified mail, return receipt requested, to the Village;

ii. Be issued by a company or companies authorized to do business in the State of Illinois with a Best's rating of no less than A:VII;

iii. Waive all rights of subrogation of insurers against the Village, its employees, elected officials, and agents; and

iv. Specifically name Developer as a named insured.

D. Certificates. Within ten (10) days of the Effective Date and by December 31st of each calendar year thereafter in which the Agreement is in effect, Developer shall furnish the Village with a certificate(s) of insurance effecting coverage as required under this Section 6.02. In addition, Developer shall annually furnish the Village copies of receipts for payments of premiums regarding such policies. The receipt of any certificate does not constitute agreement by the Village that the insurance requirements in the Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with the Agreement. The failure of the Village to obtain certificates or other insurance evidence is not a waiver by the Village of any requirements for Developer to obtain and maintain the specified coverages. Non-conforming insurance constitutes an Event of Default.

E. Deductibles. Any deductibles or referenced insurance coverages must be borne by Developer or its independent contractors or subcontractors.

F. No Offset or Contribution. The insurance requirements set forth in this Section 6.02 shall in no way limit or be used to offset against Developer's indemnification obligations under this Agreement.

**Section 6.03. Maintaining Records/Right to Inspection.** Developer for the Term shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents pertaining to the Project shall be available at Developer's offices for inspection, copying, audit and examination by an authorized representative of the Village. With respect to contracts covering Reimbursable Project Costs, Developer shall utilize commercially reasonable efforts to incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by Developer with respect to the Project.

Developer reasonably projects the Project to: (1) create 3 number of jobs, (2) create approximately Three Million Forty Seven Thousand Dollars (\$3,047,000) of Project Incremental Taxes through collection year 2040; and (3) generate a 12.15% internal rate of return assuming receipt of all of the Village Incentive. Developer shall report the following information in writing to the Village on an annual basis, on each December 31st after the Effective Date (which report

apply to the prior calendar year), with regard to the Project as of the date of the report: (i) the number of jobs created to date, under the same guidelines and assumptions that were used for the projections at the time of approval of this Agreement or as may be reported by tenants occupying Project buildings; and (ii) the amounts of Project Incremental Taxes generated during the reporting period and to date, using the same assumptions as was used for the projections used at the time of the approval of this Agreement. Developer shall timely provide additional materials and information reasonably requested by the Village regarding Developer's projections and reports made under this Section 6.03 including such materials and information as needed by the Village to comply with its reporting obligations under Section 5(d) of the TIF Act, 65 ILCS 5/11-74.4-5(d), as amended from time to time including, but not limited to, materials and information for the use of a third-party chosen by the Village to independently verify the Project's rate of return.

**Section 6.04. Maintenance and Use.** During the Term, Developer shall cause all improvements on the Property to be maintained, preserved and kept in good repair and working order and in compliance with the Laws.

**Section 6.05. Real Estate Provisions.** Developer shall pay or cause to be paid when due all Governmental Charges which are assessed or imposed upon the Developer, the Project or the Property, or which become due and payable. Further, after issuance of the Certificates of Substantial Completion, Developer may make additions, alterations and changes to the Project so long as such additions, alterations and changes are made in compliance with all applicable Laws, this Agreement, the Redevelopment Plan, and as long as such additions, alterations and changes to the Project do not have a material adverse effect on the market value of the Project or the Property.

A. Prohibition on Exemption. With respect to the Property or the Project, neither the Developer nor any agent, representative, lessee, tenant, assignee, transferee or successor in interest to Developer shall seek or authorize any exemption (as such term is used and defined in the Illinois Constitution, Article IX, Section 6 (1970)), during the Term.

B. Inducement. The covenants of this Section 6.05 shall be construed and interpreted as an express agreement by Developer with the Village that an incentive inducing the Village to enter into the rights and obligations of this Agreement is to increase the equalized assessed valuation of the Property, including the Project.

**Section 6.06. Environmental Covenants.** Developer covenants that (i) the construction, development and operations of the Project will materially comply with all Environmental Laws; (ii) Developer shall promptly notify the Village upon becoming aware of any investigation, proceeding, complaint order, directive, claim, citation or notice by any governmental authority or any other person which is directed or threatened against the Project and/or the Property and Developer shall take prompt and appropriate actions to respond thereto; and (iii) Developer shall promptly notify the Village upon becoming aware of any non-compliance with or violation of the requirements of any Environmental Law or the release, spill, or discharge, threatened or actual, of any Hazardous Materials on the Property. Developer shall secure an NFR or NFA for the Property as applicable and this obligation shall be reflected in the Redevelopment Plan.

**Section 6.07. Prohibition on Certain Liens.** Developer agrees that no mechanics' or other liens, unrelated to the financing of the Project, shall be established or remain against the Project or the Property, or the funds in connection with the Project, for labor or materials furnished in connection with any acquisition, construction, additions, modifications, improvements, repairs, renewals or replacements so made. However, Developer shall not be in default if mechanics' or other liens are filed or established and Developer contests in good faith said mechanics' liens and in such event may permit the items so contested to remain undischarged and unsatisfied during the period of such contest and any appeal therefrom. Developer hereby agrees and covenants to indemnify and hold harmless the Village in the event any liens are filed against the Project because of acts of Developer, its agents or independent contractors.

**Section 6.08. Survival of Covenants.** The covenants set forth in this Article 6 shall run with the land, be binding upon any successor in interest or transferee, and remain in effect during the Term.

## **ARTICLE 7: DEFAULTS AND REMEDIES**

### **Section 7.01. Events of Default; Remedies; Cure.**

A. Event of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 8.14 and 7.01(C), shall constitute an "Event of Default" hereunder by the applicable party:

- i. the failure of a party to perform, keep or observe, in all material respects, the covenants, conditions, obligations of such party under the Agreement;
- ii. the making or furnishing by a party of any written representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement which, when made, is or was materially untrue or materially misleading in any material respect;
- iii. the commencement of any proceedings in bankruptcy by or against a party or for its liquidation or reorganization, or alleging that such party is insolvent or unable to pay its debts as they mature, or for the readjustment or arrangement of a party's debts, whether under the United States Bankruptcy code or under any other state or federal law, now or hereafter existing for the relief of debtors, or the commencement of any analogous statutory or non-statutory proceedings involving such party; provided, however, that if such commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such proceedings are not dismissed within ninety (90) days after the commencement of such proceedings; or
- iv. the appointment of a receiver or trustee for a party, for any substantial part of such party's assets or the institution of any proceedings for the dissolution, or the full or partial liquidation, or the merger or consolidation, of such

party; provided, however, that if such appointment or commencement of proceedings is involuntary, such action shall not constitute an Event of Default unless such appointment is not revoked or such proceedings are not dismissed within ninety (90) days after the commencement thereof.

B. Remedies.

i. *Village Remedies.* Upon the occurrence of an Event of Default, which continues after written notice thereof and the expiration of the applicable curative period without cure having been effectuated, the Village may pursue and secure any remedy available at law or equity, including without limitation: (a) compensatory damages, solely as it relates to uncured Events of Default under Section 6.01, Section 6.02 and Section 6.05, (b) specific performance, (c) self-help, (d) injunctive relief, and/or (e) suspend or terminate any payments under this Agreement.

ii. *Developer Remedies.* Upon the occurrence of an Event of Default, which continues after written notice thereof and the expiration of the applicable curative period without cure having been effectuated, the sole remedies of Developer shall be injunctive relief, specific performance, *mandamus*, or *quo warranto*.

iii. *Limitation on Damages.* Developer shall not be entitled to economic, consequential, incidental, preventative or punitive damages resulting from an Event of Default.

iv. *No Reimbursement if in Default.* Developer shall not be entitled to receive any reimbursement or portion of the Village Incentive if Developer is in Default and has failed to resolve any Default within the applicable curative period.

C. Curative Period. In the event a party to this Agreement shall fail to perform a monetary covenant which it is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless that party has failed to perform such monetary covenant within thirty (30) days of its receipt of a written notice from the other party specifying that it has failed to perform such monetary covenant. In the event a party to this Agreement shall fail to perform a non-monetary covenant which it is required to perform under this Agreement, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless that party has failed to cure such default within sixty (60) days of its receipt of a written notice from the other party specifying the nature of this default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such sixty (60) day period, Developer shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such sixty (60) day period and thereafter diligently and continuously prosecutes the cure of such default until the same

has been cured, but in no event shall such cure period exceed one hundred eighty (180) days of its receipt of written notice from the other party specifying the nature of the default.

D. Non-Waiver. The failure of any party to this Agreement to insist upon strict and prompt performance of the terms, covenants, agreements and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any parties' rights, to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect. No waiver by either party shall be valid or binding on such party unless it is has been consented to in writing.

E. Cumulative Remedies. Unless expressly provided otherwise herein, the rights and remedies of the parties provided for herein shall be cumulative and concurrent and shall include all other rights and remedies available at law or in equity, may be pursued singly, successively or together, at the sole discretion of either party and may be exercised as often as occasion therefore shall arise.

#### **ARTICLE 8: MISCELLANEOUS PROVISIONS**

**Section 8.01. Notice.** Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service; (b) overnight courier; (c) certified mail, return receipt requested; or (d) facsimile transmission, with proof of transmission:

If to Village:	Village of Steger Office of the Mayor 3320 Lewis Avenue Steger, Illinois 60475 Phone: 708-754-3395
With a copy to:	Del Galdo Law Group, LLC 1441 S. Harlem Avenue Berwyn, Illinois 60402 Attention: Vlado Vranjes Phone: 708-222-7000 Fax: 708-222-7001
If to Developer:	Steger Storage, LLC 5514 Lincoln Avenue, Suite 200 Lisle, Illinois 60532 Attention: John Racich Phone: 630-842-9267 Email: jrachim@racichinc.com
With a copy to:	Daspin & Aument, LLP 300 South Wacker Drive, Suite 2200

Chicago, Illinois 60606  
Attention: Daniel J. Kopp  
Phone: 312-258-3774  
Email: [dkopp@daspinaument.com](mailto:dkopp@daspinaument.com)

**Section 8.02. Amendment.** The Agreement and the exhibits attached hereto may not be amended without the prior written consent of the Village and Developer. Consent of the Village must be approved by an ordinance passed by the Corporate Authorities.

**Section 8.03. Entire Agreement.** The Agreement (including each exhibit attached hereto, which is hereby incorporated herein by reference), the documents, agreements and other instruments to which reference is made herein or therein constitute the entire agreement between the parties hereto and supersede all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof. To the extent of any conflict between the terms and conditions of the Inducement Resolution and this Agreement, this Agreement shall govern and control.

**Section 8.04. Limitation of Liability.** No member, official or employee of the Village shall be personally liable to Developer or any successor in interest in the event of any default or breach by the Village or for any amount which may become due to Developer from the Village or any successor in interest or on any obligation under the terms of this Redevelopment Agreement. No member, manager, agent, or employee of Developer shall be personally liable to the Village or any successor in interest in the event of any default or breach by Developer or for any amount which may become due to the Village from Developer or any successor in interest or on any obligation under the terms of this Redevelopment Agreement.

**Section 8.05. Further Assurances.** Developer and the Village agree to take certain actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Redevelopment Agreement.

**Section 8.06. Enforceability of Agreement.**

A. This Agreement shall be enforceable in any court of competent jurisdiction within the County of Cook, Illinois by any of the parties by an appropriate action at law or in equity to secure the performance of the provisions and covenants herein described.

B. Any violation of this Agreement by a party shall entitle the other party to the remedy of specific performance, and any other remedy available at law or in equity, except as limited under Section 8.04 above, but in no event shall any judgment for incidental, consequential or punitive damages award be entered against the Village, its officers or employees or against the members, agents, managers or employees of Developer.

C. Subject to the provisions of Section 8.04, all remedies provided for in this Agreement are cumulative and the election or use of any particular remedy by any of the

parties hereto shall not preclude that party from pursuing such other or additional remedies or such other or additional relief as it may be entitled to either in law or in equity.

**Section 8.07. Disclaimer.** Nothing contained in this Agreement, nor any act of either or both parties to this Agreement, shall be deemed construed by any of the parties or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship by or among such parties except as expressly set forth herein.

**Section 8.08. Headings.** The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

**Section 8.09. Severability.** If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held invalid, this Agreement shall be construed as if such invalid part were never included herein, and the remainder of this Agreement shall be and remain valid and enforceable to the fullest extent permitted by law.

**Section 8.10. Conflict.** In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances, if any, the TIF Ordinances shall prevail and control.

**Section 8.11. Governing Law.** This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

**Section 8.12. Form of Documents.** All documents required by this Agreement to be submitted, delivered or furnished to the Village shall be in form and content satisfactory to the Village, which approval shall not be unreasonably withheld or delayed.

**Section 8.13. Binding Effect.** This Agreement shall be binding upon Developer, the Village and their respective successors and permitted assigns (as provided herein) and shall inure to the benefit of Developer, the Village and their successors and permitted assigns (as provided herein).

**Section 8.14. Force Majeure.** Neither the Village nor Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by failure or unreasonable delay, after Developer has utilized its best efforts to prevent such failure or unreasonable delay, in the receipt of any Governmental Approval, damage or destruction by fire or other casualty, strike, litigation concerning the Project, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below-freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder. The time for a party's performance of any obligation under this Agreement shall be extended on a day-for-day basis during the period of the event of Force Majeure. The party seeking the extension shall have the burden to establish the other party

regarding an event of Force Majeure and shall keep the other party reasonably informed as to the nature of the delay and the anticipated time of completion of the performance of its obligations.

**Section 8.15. Exhibits.** All of the exhibits attached hereto are incorporated herein by reference.

**Section 8.16. Third Parties.** Except as provided in herein, nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other persons other than the Village and Developer, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third parties to either the Village or Developer, nor shall any provision give any third parties any rights of subrogation or action over or against either the Village or Developer. Except as provided herein, this Agreement is not intended to and does not create any third-party beneficiary rights whatsoever.

**Section 8.17. Time of the Essence.** Time is of the essence for this Agreement.

**Section 8.18. Cooperation.** The Village and Developer each covenants and agrees that each will do, execute, acknowledge and deliver or cause to be done, executed and delivered, such agreements, instruments and documents supplemental hereto and such further acts, instruments, pledges and transfers as may be reasonably required for the better clarifying, assuring, mortgaging, conveying, transferring, pledging, assigning and confirming unto the Village or Developer or other appropriate persons all and singular the rights, property and revenues covenanted, agreed, conveyed, assigned, transferred and pledged under or in respect of this Agreement. The successful consummation of this Agreement and the Project are in the best interests of the parties and requires their continued cooperation. The parties will use commercially reasonable efforts to cooperate with all reasonable requests made by the other party in order to effectuate the intent of this Agreement.

**Section 8.19. Assignment.** The Developer shall be permitted to assign this Agreement: (A) as collateral to any lender that provides construction or permanent financing for the Project; (B) to any affiliate of the Developer; and (C) any entity that (1) has at least two years (2) years of experience owning or operating buildings of the size and nature of the Project and (2) has sufficient financial resources, as determined by the Village, in the exercise of its reasonable discretion, to maintain and operate the Project in a manner consistent with similar developments in the Chicagoland region (such entity, a "Permitted Assignee"). Any other pledge or assignment of this Agreement shall be subject to the Village's consent, which shall not be unreasonably withheld, delayed or conditioned. The Developer shall be permitted to convey, sell or transfer the Property (X) to any affiliate of the Developer; (Y) to any entity that qualifies as a Permitted Assignee; and (Z) any lender (or its nominee or assignee), which forecloses on the Property as part of a foreclosure proceeding or deed in lieu of foreclosure. Any other conveyance, sale or transfer of the Property shall be subject to the Village's consent which shall not be unreasonably withheld, delayed or conditioned

**Section 8.20. No Joint Venture, Agency or Partnership Created.** Nothing in this Agreement, nor any actions of the parties to this Agreement, shall be construed by the parties or

any third person to create the relationship of a partnership, agency or joint venture between or among such parties.

**Section 8.21. Recording of Agreement.** Developer shall cause this Agreement, all amendments, and supplements to be recorded and filed within three (3) days of the Effective Date in the Office of the Will County Recorder of Deeds. This Agreement shall be recorded prior to any mortgage made in connection with any Lender Financing. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, Developer shall within three (3) days transmit to the Village an executed original of this Agreement showing the date and recording number of record.

**Section 8.22. Approvals; Materiality.** Except as otherwise provided in this Agreement, whenever consent or approval of a party is required, such consent or approval shall not be unreasonably withheld, delayed or conditioned. All of Developer's performance obligations set forth in this Agreement shall be deemed complete upon material satisfaction of the same. Except as otherwise set forth in this Agreement, strict compliance with all monetary obligations hereunder shall be required.

[Remainder of page intentionally blank]

IN WITNESS WHEREOF, the Village and Developer have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

**VILLAGE OF STEGER ILLINOIS,  
An Illinois municipal corporation**

  
\_\_\_\_\_  
Kenneth A. Peterson, Village President

ATTEST:

  
\_\_\_\_\_  
Village Clerk

STATE OF ILLINOIS                    )  
  ) ss.  
COUNTY OF COOK                    )

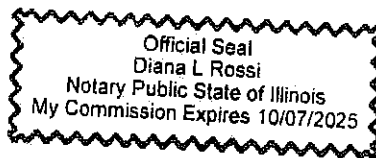
On this 5 day of December, 2023 before me, personally appeared Kenneth A. Peterson, personally known, who being by me duly sworn did say that he is the Village President of the Village of Steger, Illinois, an Illinois municipal corporation, that said instrument was signed on behalf of said corporation by authority of its Board of Trustees, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Cook County, Illinois the day and year last above written.

  
\_\_\_\_\_  
Notary Public

Printed Name: Diana L. Rossi

My commission expires:  
10-07-25



IN WITNESS WHEREOF, the Village and Developer have duly executed this Agreement pursuant to all requisite authorizations as of the date first above written.

**STEGER STORAGE, LLC, a Delaware limited liability company**

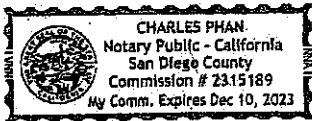
By: Jorujio, Inc., a California corporation,  
Its Manager

Name: [Signature]  
John M. Camarena, President

STATE OF ~~ILLINOIS~~ California  
of ) ss.  
COUNTY OF ~~COOK~~ San Diego

On this 1 day of December, 2023, before me, personally appeared John M. Camarena, personally known, who being by me duly sworn did say that he is the \_\_\_\_\_ of Steger Storage, LLC, an Delaware limited liability company, that said instrument was signed on behalf of said corporation, and acknowledged said instrument to be the free act and deed of said corporation.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed my official seal at my office in Cook County, Illinois the day and year last above written.



[Signature]  
Notary Public

Printed Name: Charles Phan

My commission expires: 12/10/2023

**EXHIBIT A**  
**Property Legal Description**

PARCEL 1:

LOTS 1 TO 22, INCLUSIVE, IN BLOCK 29 AND ALSO ALL OF THE VACATED ALLEY LYING EAST OF AND ADJOINING LOTS 1 THROUGH 22 IN BLOCK 29, AND WEST OF THE WEST RIGHT-OF-WAY LINE OF THE CHICAGO AND EASTERN ILLINOIS RAILROAD IN COLUMBIA HEIGHTS, A SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 4, AND THE NORTHEAST QUARTER OF SECTION 5, EXCEPT THE WEST 15.03 CHAINS THEREOF, TOWNSHIP 34 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 5, 1891, IN PLAT BOOK 4, PART 2, PAGES 78 AND 79, AS DOCUMENT NO. 165439, IN WILL COUNTY, ILLINOIS.

PARCEL 2:

LOTS 1 TO 16, BOTH INCLUSIVE, IN BLOCK 16, ALSO A STRIP 14 FEET WIDE IN SAID BLOCK 16, MARKED "RESERVED FOR PRIVATE USE", ALSO THAT PART OF VACATED 36TH STREET LYING BETWEEN LOTS 13 AND 14, IN BLOCK 16, AND LOT 1, BLOCK 29, ALL IN COLUMBIA HEIGHTS, A SUBDIVISION OF THE WEST OF THE NORTHWEST QUARTER OF SECTION 4, AND THE NORTHEAST QUARTER OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 5, 1891, IN BOOK 4, PAGES 78 AND 79, AS DOCUMENT NO. 165439, IN WILL COUNTY, ILLINOIS.

PARCEL 3:

THAT PART OF VACATED 36TH STREET LYING SOUTH OF AND ADJOINING LOT 15 IN BLOCK 16 AND LYING NORTH OF AND ADJOINING THE VACATED ALLEY IN BLOCK 29, IN COLUMBIA HEIGHTS, AFORESAID, IN WILL COUNTY, ILLINOIS.

PARCEL 4:

THE SOUTH HALF OF VACATED 35TH PLACE, LYING NORTH OF AND ADJOINING BLOCK 16, IN COLUMBIA HEIGHTS, AFORESAID, ALL IN WILL COUNTY, ILLINOIS.

**EXHIBIT B**  
**Improvements**

**The Project.** The Developer is proposing to convert an existing warehouse building into an approximately 111,000 square foot self-storage facility in Steger, Illinois. The site address is 3601 Chicago Road and consists of three PINs: 23-15-05-218-019, 23-15-05-218-021, and 23-15-05-226-027 (the "Project Site"). The site is currently operating as a logistics warehouse operated by Triple A Transportation. The total project cost is currently estimated to be approximately \$11.45 million (\$103.14 per square foot of building area).

ID	Task Mode	Task Name	Duration	Start	Finish
1	★	Steger Storage	120 days	Mon 12/2/24	Fri 5/16/25
2	★	Mobilize	5 days	Mon 12/2/24	Fri 12/6/24
3	★	Rough MEPS	45 days	Mon 12/9/24	Fri 2/7/25
4	★	Electrical	32 days	Mon 12/9/24	Tue 1/21/25
5	★	HVAC	21 days	Mon 12/9/24	Mon 1/6/25
6	★	Sprinkler	35 days	Mon 12/9/24	Fri 1/24/25
7	★	Interior Concrete	21 days	Mon 12/9/24	Mon 1/6/25
8	★	Northern dock and offices	10 days	Mon 12/9/24	Fri 12/20/24
9	★	Southern dock infills	10 days	Mon 12/23/24	Fri 1/3/25
10	★	Roofing	30 days	Mon 12/2/24	Fri 1/10/25
11	★	Structural patching	10 days	Mon 12/2/24	Fri 12/13/24
12	★	Floors	20 days	Mon 12/16/24	Fri 1/10/25
13	★	Clean and prep	21 days	Mon 12/11/24	Tue 1/16/25
14	★	Seal floor	7 days	Mon 1/8/24	Tue 1/16/24
15	★	Storage Lockers	60 days	Mon 1/20/25	Fri 4/11/25
16	★	Erect walls	15 days	Mon 2/10/25	Fri 2/28/25
17	★	Door & Corridor	15 days	Mon 3/3/25	Fri 3/21/25
18	★	Erect Doors	15 days	Mon 3/24/25	Fri 4/11/25
19	★	Ceiling Wire	21 days	Mon 4/7/25	Mon 5/5/25
20	★	Site Work			

Project Steger Schedule 12-2  
Date: Wed 12/4/24

Task: Inactive Milestone

Task Name: Inactive Milestone

Duration: 21 days

Start: Mon 4/7/25

Finish: Mon 5/5/25

Task Mode: Inactive Milestone

Task Summary: Inactive Milestone

Task Legend:

- Task
- Milestone
- Project Summary
- Inactive Task
- Inactive Milestone

Task Legend (Right):

- Inactive Summary
- Manual Task
- Duration-only
- Manual Summary Rollup
- Start-only
- Finish-only
- External Tasks
- External Milestone
- Deadline
- Progress
- Manual Progress

ID	Task Mode	Task Name	Duration	Start	Finish	Dec	Qtr 1, 2025	Jan	Feb	Mar
22	★	Storm Sewer	7 days	Mon 4/7/25	Tue 4/15/25					
23	★	Curb and sidewalk	7 days	Mon 4/14/25	Tue 4/22/25					
24	★	Prep and Pave	7 days	Wed 4/23/25	Thu 5/1/25					
25	★	Building Exterior	43 days	Mon 3/3/25	Wed 4/30/25					
26	★	Wrap Columns	14 days	Mon 3/3/25	Thu 3/20/25					
27	★	Infill Framing	2 days	Fri 3/21/25	Mon 3/24/25					
28	★	Patch Siding	5 days	Mon 3/24/25	Fri 3/28/25					
29	★	Caulk and seal	6 days	Mon 3/31/25	Mon 4/7/25					
30	★	Paint	18 days	Mon 4/7/25	Wed 4/30/25					
31	★	Office Framing	48 days	Mon 1/13/25	Wed 3/19/25					
32	★	Rough Framing	10 days	Mon 1/13/25	Fri 1/24/25					
33	★	Drywall & Tape	14 days	Mon 1/27/25	Thu 2/13/25					
34	★	Interior paint	7 days	Fri 2/14/25	Mon 2/24/25					
35	★	Ceilings	10 days	Mon 2/24/25	Fri 3/7/25					
36	★	Flooring	6 days	Mon 3/10/25	Mon 3/17/25					
37	★	Millwork	2 days	Mon 3/17/25	Tue 3/18/25					
38	★	Trim Office MEP's	5 days	Tue 3/18/25	Mon 3/24/25					
39	★	Trim Electric	2 days	Tue 3/18/25	Wed 3/19/25					
40	★	Trim HVAC	2 days	Thu 3/20/25	Fri 3/21/25					
41	★	Trim Warehouse MEP's	22 days	Mon 4/14/25	Tue 5/13/25					
42	★	Fire Alarm	10 days	Mon 4/14/25	Fri 4/25/25					
43	★	Electric	14 days	Mon 4/14/25	Thu 5/1/25					

Project Steger Schedule 12-2  
Date: Wed 12/4/24

Task	Inactive Summary	External Tasks
Split	Manual Task	External Milestone
Milestone	Duration-only	Deadline
Summary	Manual Summary Rollup	Progress
Project Summary	Manual Summary	Manual Progress
Inactive Task	Start-only	
Inactive Milestone	Finish-only	

ID	Task Mode	Task Name	Duration	Start	Finish	Dec	Qtr 1, 2025	Jan	Feb	Mar
44	★	Low Voltage	22 days	Mon 4/14/25	Tue 5/13/25					
45	★	Final Clean	4 days	Mon 5/12/25	Thu 5/15/25					
46	★	Clean Office	1 day	Mon 5/12/25	Mon 5/12/25					
47	★	Final Inspections	3 days	Wed 5/14/25	Fri 5/16/25					
48	★	Turnover	1 day	Fri 5/16/25	Fri 5/16/25					

Task	Inactive Summary	External Tasks
Split	Manual Task	External Milestone
Milestone	Duration-only	Deadline
Summary	Manual Summary Rollup	Progress
Project Summary	Manual Summary	Manual Progress
Inactive Task	Start-only	
Inactive Milestone	Finish-only	

Project Steger Schedule 12-2  
Date: Wed 12/4/24

## EXHIBIT D

### Definitions

Words used but not defined elsewhere in this Agreement shall have the following meanings in this Agreement:

1. **“Act” or “TIF Act”** means the Tax Increment Allocation Redevelopment TIF Act, Sections 74.4-1 through 74.4-11 of the Illinois Compiled Statutes, as amended.
2. **“Agreement”** means this Redevelopment Agreement between the Village of Steger, Illinois and Steger Storage, LLC, and any modifications, amendments, or supplements that the Parties agree to in writing.
3. **“Certificates of Reimbursable Project Costs”** means a document substantially in the form of Exhibit G, attached hereto and incorporated herein by reference, provided by Developer to the Village in accordance with this Agreement and evidencing Reimbursable Project Costs incurred by Developer for the Project.
4. **“Certificates of Substantial Completion”** means any certificates submitted by Developer to the Village promptly after substantial completion of the Project in accordance with the provisions of this Agreement, and in the form of Exhibit E. [See Section 3.10]
5. **“Corporate Authorities”** means collectively the President and Board of Trustees of the Village of Steger.
6. **“Department”** means the Illinois Department of Labor.
7. **“Developer”** means Steger Storage, LLC.
8. **“Developer’s Share of Project Incremental Taxes” or “Developer’s Share”** shall have the meaning set forth in Section 5.03(C).
9. **“Effective Date”** means the date upon which this Agreement becomes effective, as established by the first paragraph of this Agreement.
10. **“Environmental Laws”** means, without limitation, the Resource Conservation and Recovery Act and the Comprehensive Environmental Response, Compensation, and Liability Act and other federal laws governing the environment together with their implementing regulations applicable to the Property, and all applicable state, regional, county, municipal and other local laws, regulations and ordinances that are equivalent or similar to the federal laws recited above or that purport to regulate Hazardous Materials.
11. **“Equity”** means the funds of Developer irrevocably available to finance the construction of the Project as and when required for the Project.
12. **“Event of Default”** shall have the meaning set forth in Section 7.01.

13. **“Government Approvals”** means all plat approvals, re-zoning or other zoning changes, site plan approvals, conditional use permits, Metropolitan Water Reclamation District Permits, Illinois Department of Transportation permits, variances, building permits, or other subdivision, zoning, or any other approvals required by any governmental agency with regulatory authority for the implementation of the contemplated Project related to the Redevelopment Area and consistent with the Redevelopment Plan and Project, the Preliminary Site Plan and this Agreement.

14. **“Governmental Charges”** means all federal, state, county, local or other governmental taxes, levies, assessments, charges liens, claims or encumbrances relating to the Property and/or the Project or the operations on the Project including but not limited to real estate taxes and utility taxes.

15. **“Hazardous Materials”** means any hazardous, toxic or dangerous substance, material and waste, including, without limitation, hydrocarbons, flammable explosives, asbestos, urea formaldehyde insulation, radioactive materials, biological substances, polychlorinated biphenyls, pesticides, herbicides and any other kind and/or type of pollutants or contaminants, sewage, industrial solvents and/or any other similar substances, materials or wastes that are or become regulated under any Environmental Law.

16. **“Improvements”** shall have the meaning set forth in Recital F and as described or depicted in Exhibit B of this Agreement.

17. **“Incremental Taxes”** means, pursuant to the authority granted under the Act, the *ad valorem* taxes, if any, arising from the property tax levies upon the real properties within the Redevelopment Project Area by taxing districts, which taxes are attributable to the increase in the current equalized assessed valuation of those real properties over and above the initial equalized assessed value of those real properties, as determined by the Cook County Assessor’s Office or the Will County Supervisor of Assessments Office, and paid to the Village for deposit in the STAF.

18. **“Indemnified Parties”** shall have the meaning set forth in Section 6.01.

19. **“Inducement Resolution”** means Resolution No. 1177, titled “Resolution Providing An Inducement to the Village of Steger and Steger Storage, LLC in Connection with the Redevelopment of Real Property Located at 3601 Chicago Road in the Village of Steger, Counties of Cook and Will, State of Illinois” adopted by the Corporate Authorities on July 17, 2023.

20. **“Laws”** means any law, statute, rule code, regulation, ordinance, award, order, decree, judgment or injunction of or by any federal, state or local governmental authority, unit, district or entity or any agency, division or department thereof.

21. **“Lender Financing”** means any funds borrowed by Developer from any provider of funds and irrevocably available to pay for Project Costs.

22. **“Project”** means the Project described in Recital F and Exhibit B, and all work performed to construct the improvements as set forth in the Plans and Specifications.
23. **“Project Budget”** means the projected and anticipated Project Costs approved by the Village and set forth in Exhibit F.
24. **“Project Costs”** means all costs actually incurred by Developer in constructing the Project and any costs related thereto and generally depicted in Exhibit F.
25. **“Project Incremental Taxes”** means one hundred percent (100%) of the *ad valorem* real estate taxes levied on the Property, collected by the County, and paid to the Village pursuant to the TIF Ordinances and Section 11-74.4-8(b) of the Act, and deposited by the Village into the Sub-Account. [See Section 5.03(A)]
26. **“Project Schedule”** means the scheduled by which Developer shall commence and complete the Project as set forth in Section 3.02 and generally depicted in Exhibit C.
27. **“Property”** means that certain real property legally described in Exhibit A.
28. **“Plans and Specifications”** means the plans, drawings, specifications, and other documents for the Project, describing or showing the scope, design and details of the proposed building, structure and improvements at the Property, as submitted to the Village.
29. **“Redevelopment Plan”** means the plan titled “Chicago Road Redevelopment Plan and Project” as approved by the Corporate Authorities on March 7, 2016, pursuant to Ordinance No. 1119, as such plan may from time to time be amended in accordance with the TIF Act.
30. **“Redevelopment Project Area”** shall have the meaning set forth in Recital D.
31. **“Reimbursable Project Costs”** shall mean those Project Costs, including those incurred after the adoption of Inducement Resolution No. 1177 but prior to the Effective Date, for which Developer is eligible for reimbursement under the Act and the Redevelopment Plan, and as identified as a “Reimbursable Project Cost” on Exhibit F.
32. **“STAF”** shall have the meaning set forth in Section 5.02.
33. **“Sub-Account”** shall have the meaning set forth in Section 5.02.
34. **“Term”** shall have the meaning set forth in Section 1.03.
35. **“TIF Ordinances”** means Ordinances Numbered 1119, 1120, and 1121 adopted by the Corporate Authorities on March 7, 2016, pursuant to the TIF Act approving the Redevelopment Plan, designing the Redevelopment Project Area and adopting tax increment allocation financing for the Redevelopment Project Area.
36. **“Village”** means the Village of Steger, Cook and Will Counties, Illinois, an Illinois

municipal corporation duly organized and existing under the general laws of the State of Illinois.

37. **"Village Incentive"** shall have the meaning set forth in Section 4.05(B).
38. **"Village's Share of Project Incremental Taxes"** or **"Village Share"** shall have the meaning set forth in Section 5.03(C).
39. **"Village Code"** means the Municipal Code of Steger, Illinois, as it may be amended from time to time.

**EXHIBIT E**

**FORM OF CERTIFICATE OF SUBSTANTIAL COMPLETION**

**CERTIFICATE OF SUBSTANTIAL COMPLETION  
FOR THE PROJECT**

The undersigned, Steger Storage LLC (the "**Developer**"), pursuant to that certain Tax Increment Financing Redevelopment Agreement, dated \_\_\_\_\_, 20\_\_ between the Village of Steger, Counties of Cook and Will, Illinois (the "**Village**") and Developer (the "**Agreement**") for the property legally described on **Appendix A**, hereby certifies to the Village as follows:

1. That as of \_\_\_\_\_, 20\_\_, the Project has been substantially completed in accordance with the terms and conditions of the Agreement, which shall include compliance with all applicable Laws.
2. The Project has been completed in a good and workmanlike manner and in accordance with the Plans and Specifications, all as set forth in the Agreement.
3. Lien waivers for applicable portions of the Project have been obtained.
4. This Certificate of Substantial Completion is being issued by Developer to the Village in accordance with the Agreement to evidence Developer's satisfaction of all obligations and covenants under the Agreement (as applicable).
5. The Village's acceptance (below) or the Village's failure to object in writing to this Certificate within thirty (30) days of the date of delivery of this Certificate of Substantial Completion to the Village (which specific written objection, as set forth in the Agreement, must be delivered to Developer prior to the end of such 30-day period), and the recordation of this Certificate of Substantial Completion with the Will County Recorder of Deeds, shall evidence the satisfaction of the Developer's agreements and covenants to construct the Project .

Upon such acceptance, or failure to object, by the Village, Developer may record this Certificate in the office of the Cook County Recorder of Deeds. This Certificate is given without prejudice to any rights against third parties which exist as of the date hereof or which may subsequently come into being. Terms not otherwise defined herein shall have the meaning ascribed to such terms in the Agreement.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this \_\_\_ day of \_\_\_\_\_, 20\_\_.

[Signature page follows]

**STEGER STORAGE, LLC**  
An Delaware limited liability company

By: \_\_\_\_\_, its \_\_\_\_\_

By: \_\_\_\_\_, its \_\_\_\_\_

Signed and sworn before me by \_\_\_\_\_

this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

**ACCEPTED:**

**VILLAGE OF STEGER, ILLINOIS**, an Illinois municipal corporation

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

## EXHIBIT F PROJECT BUDGET AND REIMBURSABLE PROJECT COSTS

### EXHIBIT 1-B: TIF ELIGIBLE DEVELOPMENT BUDGET

LAND AND RELATED COSTS	TOTAL PROJECT COST	TIF ELIGIBLE
Land & Related	4,250,000	4,250,000
Closing Costs	25,000	25,000
Acquisition Fee	42,500	-
<b>LAND RELATED COSTS SUBTOTAL</b>	<b>4,317,500</b>	<b>4,275,000</b>

SOFT COSTS		
DD Reports	22,990	-
Civil	10,000	10,000
Architectural	34,500	34,500
Structural	15,000	15,000
MEP	27,000	27,000
Landscape	3,000	-
Permit Review	29,400	-
Permit	15,000	-
Surety	10,000	-
Misc.	18,000	-
Developer Insurance	37,500	-
Interest Reserve	691,326	-
Op Deficit	81,830	-
<b>SOFT COSTS SUBTOTAL</b>	<b>995,546</b>	<b>86,500</b>

HARD COSTS		
General Conditions	276,478	276,478
Site Work	305,000	305,000
Building	300,000	300,000
Masonry	-	-
Steel	850,000	850,000
Carpentry	45,500	45,500
Roofing and ACM	754,500	754,500
Doors and Openings	58,000	58,000
Finishes	163,200	163,200
Accessories	10,000	-
Elevators	-	-
Mechanical	775,000	775,000
Electrical	500,000	500,000
GC Fee	250,000	-
GC Insurance	37,500	-
<b>HARD COSTS SUBTOTAL</b>	<b>4,325,178</b>	<b>4,027,678</b>

FINANCING COSTS / CONTINGENCIES / OTHER CONDITIONS		
General Conditions	-	-
Fees	-	-
Insurance	-	-
Appraisal	5,700	5,700
Loan Origination	35,000	-
Legal	15,000	15,000
Escrow / Title	6,000	6,000
Site Inspection	4,920	4,920
Additional Property Tax Reserve	250,000	-
Additional Interest Reserve	367,256	-
Construction Loan Fee	-	-
Project Management Fee	400,000	-
Developers Contingency	454,757	-
Hard Cost Contingency	216,259	216,259
Soft Cost Contingency	55,598	-
<b>FINANCING AND OTHER COSTS SUBTOTAL</b>	<b>1,810,490</b>	<b>247,879</b>
<b>TOTAL DEVELOPMENT BUDGET</b>	<b>11,448,714</b>	<b>8,637,057</b>

Appendix A  
Legal Description

PARCEL 1:

LOTS 1 TO 22, INCLUSIVE, IN BLOCK 29 AND ALSO ALL OF THE VACATED ALLEY LYING EAST OF AND ADJOINING LOTS 1 THROUGH 22 IN BLOCK 29, AND WEST OF THE WEST RIGHT-OF-WAY LINE OF THE CHICAGO AND EASTERN ILLINOIS RAILROAD IN COLUMBIA HEIGHTS, A SUBDIVISION OF THE WEST HALF OF THE NORTHWEST QUARTER OF SECTION 4, AND THE NORTHEAST QUARTER OF SECTION 5, EXCEPT THE WEST 15.03 CHAINS THEREOF, TOWNSHIP 34 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 5, 1891, IN PLAT BOOK 4, PART 2, PAGES 78 AND 79, AS DOCUMENT NO. 165439, IN WILL COUNTY, ILLINOIS.

PARCEL 2:

LOTS 1 TO 16, BOTH INCLUSIVE, IN BLOCK 16, ALSO A STRIP 14 FEET WIDE IN SAID BLOCK 16, MARKED "RESERVED FOR PRIVATE USE", ALSO THAT PART OF VACATED 36TH STREET LYING BETWEEN LOTS 13 AND 14, IN BLOCK 16, AND LOT 1, BLOCK 29, ALL IN COLUMBIA HEIGHTS, A SUBDIVISION OF THE WEST OF THE NORTHWEST QUARTER OF SECTION 4, AND THE NORTHEAST QUARTER OF SECTION 5, TOWNSHIP 34 NORTH, RANGE 14 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 5, 1891, IN BOOK 4, PAGES 78 AND 79, AS DOCUMENT NO. 165439, IN WILL COUNTY, ILLINOIS.

PARCEL 3:

THAT PART OF VACATED 36TH STREET LYING SOUTH OF AND ADJOINING LOT 15 IN BLOCK 16 AND LYING NORTH OF AND ADJOINING THE VACATED ALLEY IN BLOCK 29, IN COLUMBIA HEIGHTS, AFORESAID, IN WILL COUNTY, ILLINOIS.

PARCEL 4:

THE SOUTH HALF OF VACATED 35TH PLACE, LYING NORTH OF AND ADJOINING BLOCK 16, IN COLUMBIA HEIGHTS, AFORESAID, ALL IN WILL COUNTY, ILLINOIS.

**EXHIBIT G**

**(Form of Certificate of Reimbursable Project Costs)**

**Certificate of Reimbursable Project Costs**

The Village Manager  
Village of Steger, Illinois

**Re: Steger Storage LLC's Redevelopment Project**

Terms not otherwise defined herein shall have the meanings ascribed to such terms in the Redevelopment Agreement dated \_\_\_\_\_, 20\_\_ (the "*Redevelopment Agreement*"). In connection with the Redevelopment Agreement, the undersigned hereby states and certifies that:

1. **Schedule 1** is incorporated herein by reference. Each item listed on **Schedule 1** hereto is a Reimbursable Project Cost and was incurred in connection with the construction of the Project. Identified on the attached Schedule 1 are the name, business address and business phone number of all contractors, subcontractors and/or suppliers who were paid directly by the Developer and for which the amount identified herein shall reimburse the Developer; also included as part of Schedule 1 are all applicable contracts, paid invoices and lien waivers in relation to said contractors, subcontractors and/or suppliers as well as proof of payment of said invoices. The information and documentation constituting Schedule 1 is accurate, verified and complete.

2. The Reimbursable Project Costs on **Schedule 1**: (i) were necessary for the completion of the Project, (ii) have been paid by the Developer and are eligible for reimbursement under the TIF Act, the Redevelopment Plan and the Redevelopment Agreement, and (iii) were incurred in accordance with the Redevelopment Agreement.

3. The Reimbursable Project Costs listed on **Schedule 1** have not previously been paid or reimbursed from money derived from Incremental Taxes or any money derived from any project fund established pursuant to the Redevelopment Agreement, and no part thereof has been included in any other Request for Reimbursement of the Project Costs previously filed with the Village.

4. The Developer has kept and maintained financial records related to the Reimbursable Project Costs listed on **Schedule 1** in compliance with the Redevelopment Agreement.

5. There has not been filed with or served upon the Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent any such lien is being contested in good faith.

6. If any cost item to be reimbursed under this Certificate is deemed not to constitute

a "redevelopment project cost" within the meaning of the TIF Act and the Redevelopment Agreement, Developer shall have the right to identify and substitute other eligible Reimbursable Project Costs for payment hereunder, subject to limitations under the Redevelopment Agreement.

8. The Redevelopment Agreement is in full force and effect; and no Event of Default exists under the Redevelopment Agreement.

9. All of the Developer's representations and warranties set forth in the Redevelopment Agreement remain true and correct as of the date hereof.

10. The development and construction of the Project complies with the Project Schedule.

11. The Reimbursable Project Costs set forth herein for the Project is not more than One Million Three Hundred Ninety-One Thousand Six Hundred Dollars and No Cents (\$1,391,600).

Developer agrees that if prior to the time of acceptance by the Village any matter certified to herein by it will not be true and correct in all material respects at such time as if then made, it will immediately so notify the Village. Except to the extent, if any, that prior to the time of the Village's approval of Reimbursable Project Costs for the Project, the Village shall receive written notice to the contrary from the Developer, each matter certified to herein shall be deemed once again to be certified as true and correct at the date of approval of Reimbursable Project Costs as if then made.

IN WITNESS WHEREOF, the undersigned has hereunto set his/her hand this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

By: \_\_\_\_\_

Signed and sworn before me by \_\_\_\_\_

this \_\_\_\_ day of \_\_\_\_\_, 20\_\_.

\_\_\_\_\_  
Notary Public

**APPROVED:**  
**VILLAGE OF UNIVERSITY PARK,**  
**ILLINOIS, an Illinois municipal corporation**

By: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

**Schedule 1**

**Reimbursement Schedule for Reimbursable Project Costs (RPC)**

Date: \_\_\_\_\_

Page \_\_\_ of \_\_\_

**Total Project Costs Incurred for the Area C Project: \$ \_\_\_\_\_.**

	Vendor Name/Address	Phone	Description	Project Budget Item (Exhibit F)	Invoice Date	Payment Date	Total Amount Paid	Requested Certification Amount
#								
—								
—								
—								
—								
—								
—								
—								
—								
—								

**Total RPC Request for the Area C Project: \$ \_\_\_\_\_.**

\*\*Attached hereto are the contracts, invoices, proof of payment and lien waivers corresponding to each of the above cited vendors for which the Developer seeks such costs to be certified as a Reimbursable Project Cost.

\_\_\_\_\_  
Signature of Developer



**Village of Steger, Illinois**  
**Will Tax Increment Financing District #3**  
**Capital Projects Fund**  
**Financial Statements and Report on Compliance**  
**With Public Act 85-1142**  
**December 31, 2023**

## **Independent Auditor's Report**



## Independent Auditor's Report

To the Honorable President  
and Board of Trustees  
The Village of Steger, Illinois

### *Report on the Financial Statements*

We have audited the accompanying financial statements of the Village of Steger Will Tax Increment Financing District #3 Fund (the Fund), a capital projects fund of the Village of Steger, Illinois, as of and for the year ended December 31, 2023, and the related notes to the financial statements.

### *Management's Responsibility for the Financial Statements*

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation, and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

### *Auditor's Responsibility*

Our responsibility is to express opinions on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinions.



***Opinion***

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Fund as of December 31, 2023, and the changes in their financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

***Emphasis of Matter***

We draw attention to Note 1, which explains that these financial statements present only the Fund and do not purport to, and do not, present fairly the financial position of the Village of Steger, Illinois as of December 31, 2023, or the changes in its financial position thereof for the year then ended in conformity with accounting principles generally accepted in the United States of America. Our opinions are not modified with respect to this matter.

***Other Matter***

Management has omitted management's discussion and analysis and budgetary comparison that accounting principles generally accepted in the United States of America require to be presented to supplement the basic financial statements. Such missing information, although not a part of the basic financial statements, is required by the Governmental Accounting Standards Board, which considers it to be an essential part of financial reporting for placing the basic financial statements in an appropriate operational, economic, or historical context. Our opinions on the basic financial statements are not affected by this missing information.

*McConnell Jones LLP*

Houston, Texas  
June 26, 2025

**Village of Steger, Illinois**  
**Will Tax Increment Financing District #3**  
**Balance Sheet**  
**December 31, 2023**

**ASSETS**

Cash and investments

\$ 366,952  
366,952

**FUND BALANCE**

**Liabilities**

Accounts payable

653

Due to other funds

37,600

38,253

**Fund Balance**

Restricted

Economic development

366,299

Total liabilities and fund balance

\$ 366,952

**Village of Steger, Illinois**  
**Will Tax Increment Financing District #3**  
**Schedule of Revenues, Expenditures, and Change in Fund Balance**  
**Year Ended December 31, 2023**

<b>REVENUES</b>	
Property taxes	\$ 207,094
<b>EXPENDITURES</b>	
Economic development	
Professional services	5,800
Payout expense	79,399
Total expenditures	85,199
<b>Excess of Revenues Over Expenditures</b>	121,895
<b>OTHER FINANCING USES</b>	
Transfers out (to Debt Service Fund)	(95,000)
Net Change in Fund Balance	26,895
Fund Balance - Beginning of Year	339,404
<b>Fund Balance - End of Year</b>	<b>\$ 366,299</b>

**Village of Steger, Illinois**  
**Will Tax Increment Financing District #3**  
**Notes to the Financials**  
**December 31, 2023**

**Note 1 - Significant Accounting Policies**

The accounting policies of the Will Tax Increment Financing District #3 ("TIF Fund"), for which the Village of Steger, Illinois (the "Village") board has oversight responsibility, conform to accounting principles generally accepted in the United States of America (GAAP) applicable to governmental units. The following is a summary of the significant accounting policies used by the TIF Fund:

***Reporting Entity***

The accompanying financial statements include the accounts of the TIF Fund for which the Village of Steger, Illinois board has oversight responsibility and are not intended to present fairly the financial position and results of operations of the Village as a whole.

The TIF Fund was established to account for transactions related to various capital projects within the municipality boundaries established by village ordinance. The Village intends to fund various expenditures of the projects and retire any debt issued for the project through property tax incremental revenue.

***Accounting and Reporting Principles***

The TIF Fund follows accounting principles generally accepted in the United States of America (GAAP), as applicable to governmental units. Accounting and financial reporting pronouncements are promulgated by the Governmental Accounting Standards Board.

***Fund Accounting***

The Village accounts for its various TIF Fund activities as capital projects funds in order to demonstrate accountability for how it has spent certain resources. The TIF Fund is classified as a governmental fund, which includes activities that provide general governmental services that are not business-type activities.

Capital Project Funds are used to account for the proceeds of specific revenue sources (property tax incremental revenue) that are legally restricted to expenditures for specified capital projects.

***Basis of Accounting***

The Village's funds use the current financial resources measurement focus and the modified accrual basis of accounting. This basis of accounting is intended to better demonstrate accountability for how the Funds have spent their resources.

Expenditures are reported when the goods are received or the services are rendered. Capital outlays are reported as expenditures (rather than as capital assets) because they reduce the ability to spend resources in the future; conversely, employee benefit costs that will be funded in the future (such as pension and retiree health care-related costs or sick and vacation pay) are not counted until they come due for payment. In addition, debt service expenditures, claims, and judgments are recorded only when payment is due.

Revenue is not recognized until it is collected or collected soon enough after the end of the year that it is available to pay for obligations outstanding at the end of the year. For this purpose, the Village considers amounts collected within 60 days of year end to be available for recognition. The following major revenue sources meet the availability criterion: property taxes associated with the current fiscal period.

***Specific Balances and Transactions***

***Cash and Cash Equivalents***

Cash and cash equivalents include cash on hand, demand deposits, and short-term investments with a maturity of three months or less when acquired.

**Village of Steger, Illinois**  
**Will Tax Increment Financing District #3**  
**Notes to the Financials (Continued)**  
**December 31, 2023**

***Fund Balance Flow Assumptions***

The Village will sometimes fund outlays for a particular purpose from both restricted and unrestricted resources (the total of committed, assigned, and unassigned fund balance). In order to calculate the amounts to report as restricted, committed, assigned, and unassigned fund balance in the governmental fund financial statements, a flow assumption must be made about the order in which the resources are considered to be applied. It is the government's policy to consider restricted fund balance to have been depleted before using any of the components of unrestricted fund balance. Furthermore, when the components of unrestricted fund balance can be used for the same purpose, committed fund balance is depleted first, followed by assigned fund balance. Unassigned fund balance is applied last.

***Property Tax Revenue***

Property taxes attach as an enforceable lien on January 1 of the levy year. They are levied in December (by passage of a tax levy ordinance). Tax bills are prepared by Will County as follows: issued on or about May 1 and are payable in two installments, on or about June 1 and September 1. The County collects such taxes and remits them periodically to the Village.

Property taxes receivable (net of allowance for uncollectible amounts based on prior history) are recorded at the time of the enforceable lien. The 2022 levy was recorded as revenue in 2023.

The Village does not record a receivable for property taxes related to the tax increment financing (TIF) districts. Due to the nature of TIF revenue, the Village does not levy a direct tax upon the districts. Instead, the property taxes are based solely upon the incremental increase in the property value, utilizing the tax rates of all the taxing bodies whose boundaries encompass the districts. As such, the Village cannot reasonably estimate the receivable and records the revenue on the cash basis.

***Use of Estimates***

The preparation of financial statements in conformity with accounting principles generally accepted in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the period. Actual results could differ from those estimates.

**Note 2 - Deposits And Investments**

State statutes and the Village's investment policy authorize the Village to make deposits/investments in commercial banks, savings and loan institutions, obligations of the U.S. Treasury, GNMMAs, Federal Home Loan Bank, bank-managed money market funds, Illinois Funds and the Illinois Metropolitan Investment Fund.

***Fund Deposits***

At year end, the carrying amount of the TIF Fund deposits as well as the bank balance totaled \$366,952.

***Custodial Credit Risk of Bank Deposits***

Custodial credit risk is the risk that in the event of a bank failure, the TIF Fund's deposits may not be returned to it. As of December 31, 2023, the TIF Fund's deposits were either FDIC insured or were collateralized with securities held by an independent third-party institution and pledged to the Village.

**Note 3 - Tax Increment Revenue Pledged and TIF Obligations**

The Village has entered into redevelopment agreements with multiple developers of various projects within the Village's TIF districts. The agreements provide for the capture by the Village of incremental taxes from the properties for a period not to extend beyond December 31st of the year following the twenty-third (23rd) year from the date of designation of the Redevelopment Project Area. The incremental taxes so captured by the Village shall be utilized as described in the Redevelopment Agreement, including pledges to repay TIF obligations. The Village is liable only to the extent that the Village receives such incremental property taxes.

**Village of Steger, Illinois**  
**Will Tax Increment Financing District #3**  
**Notes to the Financials (Continued)**  
**December 31, 2023**

On March 2, 1998, the Village issued a \$337,272 Junior Lien Tax Increment Revenue Note, Series 1998-A. The note matured November 15, 2017, and accrues interest at 15% until principal is paid. Payments are due November 15 annually to the extent that incremental taxes are on deposit with the Village. The full amount of principal on the note was outstanding at December 31, 2023. The Senior Lien bonds associated with this note were paid off in 2017.

On November 15, 2006, the Village issued \$496,609 of Senior Lien Tax Increment Revenue (Capital Appreciation) Bonds, Series 2006. The remaining outstanding bonds totaling \$260,694 at December 31, 2023, are to be retired in annual installments ranging from \$65,000 to \$300,000, beginning November 15, 2018 through November 15, 2026. Interest is payable semiannually and is added to the principal balance due 10%. The bonds are payable from the Cook TIF 2 Fund.

On November 15, 2006, the Village also issued a \$66,000 Junior Lien Tax Increment Revenue Note, Series 2006-A. The note matures November 15, 2026, and accrues interest at 13% until principal is paid. Payments are due November 15 annually to the extent that incremental taxes are on deposit with the Village. The full amount of principal on the note was outstanding at December 31, 2023.

Both the 1998 and 2006 Junior Lien Notes are subordinate to their respective senior lien bonds. The senior and junior liens are each payable from the same incremental revenues generated by their respective redevelopment areas. Since the amount of those taxes is uncertain, with payments on the junior lien notes delayed until sufficient net incremental property taxes have been collected, no repayment schedule has been calculated for the junior lien notes. The order of payment on both junior lien notes from all available monies shall be as follows:

- (a) To pay for previously accrued interest on the Junior Lien Note
- (b) To pay for current interest on the Junior Lien Note
- (c) To pay mandatory redemption of principal on the Junior Lien Note

The Village also has two notes with developers to reimburse them for approved redevelopment costs. The first was entered into in 2005 for a maximum amount of \$1,104,172, and the second in 2011 for a maximum amount of \$70,000. The second note was paid in full 2019. Both notes provide annual payments of 75% of incremental taxes from the redevelopment area. Remaining balance due at December 31, 2023, was \$168,541. Since the amount of incremental taxes is uncertain, no repayment schedule has been calculated for these notes.

**Note 4 – Tax Incentives and Abatements**

As of December 31, 2023, the Village of Steger, Illinois provides tax incentives under the *Tax Increment Allocation Redevelopment Act*. The Village uses Tax Increment Allocation Redevelopment Act 65 ILCS 5/11-74.4-1 to, among other things, finance infrastructure redevelopment projects that retain, expand and create employment opportunities within the Village's TIF districts; increase industry and commerce within the State of Illinois; increase the tax base and eradicate potentially blighting conditions through the use of tax increment allocation financing for economic redevelopment. Under the TIF program, the Village authorizes incentives through passage of public ordinances based upon each business' investment criteria, and through a contractual redevelopment agreement with each business, including, among other things, a proposed TIF budget outlining the project and proof that the project and improvements have been made. Parcels located within a TIF District receive a property tax bill as well as any normal increase in the property tax bill; however, the increase or increment from the time the TIF is adopted and certified comes back to the Village to be used within the TIF District for the TIF eligible costs, some of which are described above. A portion of the agreed-upon amount of increment is rebated to the developer for the TIF-eligible costs in accordance with the signed and adopted Redevelopment Agreement. For the year ended December 31, 2023, the Village's property tax revenue was not reduced but was segregated by virtue of the TIF base value and the incremental property taxes collected. Payouts made by the Village under these programs for Will County TIF District #3 totaled \$79,399 for the year ended December 31, 2023.

## **Independent Auditor's Report on Compliance**



**McConnell  
Jones**

### **Independent Auditor's Report on Compliance**

To the Board of Trustees of  
The Village of Steger, Illinois

We have audited, in accordance with auditing standards generally accepted in the United States of America, the financial statements of the Will Increment Financing District #3 (the "TIF Fund") of the Village of Steger, Illinois (the "Village") as of and for the year ended December 31, 2023, and the related notes to the financial statements and have issued our report thereon dated June 26, 2025.

In connection with our audit, nothing came to our attention that caused us to believe that the TIF Fund failed to comply with the regulatory provisions in Subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Allocation Redevelopment Act as it relates to eligibility for costs incurred incidental to the implementation of the TIF Fund of the Village. However, our audit was not directed primarily toward obtaining knowledge of such noncompliance. Accordingly, had we performed additional procedures, other matters may have come to our attention regarding the TIF Fund's noncompliance with the above-referenced regulatory provision, insofar as they relate to accounting matters.

This report is intended solely for the information and use of the Village's board of trustees, management, and the State of Illinois and is not intended to be and should not be used by anyone other than these specified parties.

*McConnell Jones LLP*

Houston, Texas  
June 26, 2025

4828 Loop Central Dr.  
Suite 1000  
Houston, TX 77081  
Phone: 713.968.1600  
Fax: 713.968.1601

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