

TOWN OF CORTLAND, ILLINOIS

ORDINANCE NO. _____

**AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A TIF REDEVELOPMENT AGREEMENT**

BY AND BETWEEN

THE TOWN OF CORTLAND

AND

CORTLAND FLOORING, INC. AND RICHARD JONUTZ

CORTLAND TAX INCREMENT FINANCING DISTRICT

**ADOPTED BY THE MAYOR AND TOWN BOARD
OF THE TOWN OF CORTLAND, DEKALB COUNTY, ILLINOIS,
ON THE 24TH DAY OF FEBRUARY, 2025.**

TOWN OF CORTLAND, ILLINOIS: ORDINANCE NO. _____

**AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF
A TIF REDEVELOPMENT AGREEMENT BY AND BETWEEN:**

**THE TOWN OF CORTLAND &
CORTLAND FLOORING, INC. AND RICHARD JONUTZ**

CORTLAND TAX INCREMENT FINANCING DISTRICT

The Town Board has determined that this TIF Redevelopment Agreement is in the best interest of the citizens of the Town of Cortland; therefore, be it ordained by the Mayor and Town Board of the Town of Cortland, DeKalb County, Illinois as follows:

SECTION ONE: The TIF Redevelopment Agreement with Cortland Flooring, Inc. and Richard Jonutz, Developer (*Exhibit A*) attached hereto is hereby approved.

SECTION TWO: The Mayor is hereby authorized and directed to enter into and execute on behalf of the Town said TIF Redevelopment Agreement and the Town Clerk of the Town of Cortland is hereby authorized and directed to attest such execution.

SECTION THREE: The TIF Redevelopment Agreement shall be effective the date of its approval on the 24th day of February, 2025.

SECTION FOUR: This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

PASSED, APPROVED and ADOPTED by the Corporate Authorities of the Town of Cortland this 24th day of February, 2025 and filed in the office of the Town Clerk of said Town on that date.

MAYOR & TRUSTEES	AYE VOTE	NAY VOTE	ABSTAIN / ABSENT
Doug Corson			
Randi Olson			
James Walker			
Michael Siewierski			
Bradley Stone			
Charmaine Fioretto			
Mark Pietrowski, Mayor			
TOTAL VOTES:			

APPROVED: _____, Date ____/____/2025
Mayor, Town of Cortland

ATTEST: _____, Date: ____/____/2025
Town Clerk, Town of Cortland

**EXHIBIT A: TIF REDEVELOPMENT AGREEMENT BY AND BETWEEN THE TOWN OF CORTLAND
AND CORTLAND FLOORING, INC. AND RICHARD JONUTZ.**

**TAX INCREMENT FINANCING DISTRICT
REDEVELOPMENT AGREEMENT**

by and between

TOWN OF CORTLAND, DEKALB COUNTY, ILLINOIS

and

CORTLAND FLOORING, INC.

and

RICHARD JONUTZ

CORTLAND TAX INCREMENT FINANCING (TIF) DISTRICT

FEBRUARY 24, 2025

**CORTLAND TIF DISTRICT
REDEVELOPMENT AGREEMENT**
by and between
TOWN OF CORTLAND, DEKALB COUNTY, ILLINOIS
and
CORTLAND FLOORING, INC. AND RICHARD JONUTZ

THIS REDEVELOPMENT AGREEMENT (including Exhibits) is entered into this 24th day of February 2025, by and between the **Town of Cortland** (the “Town”), an Illinois Municipal Corporation, DeKalb County, Illinois, and **Cortland Flooring, Inc.**, an Illinois Corporation, and **Richard Jonutz** (the “Developer”).

PREAMBLE

WHEREAS, the Town has the authority to promote the health, safety and welfare of the Town and its citizens, and to prevent the spread of blight and deterioration and inadequate public facilities, including sanitary sewer, by promoting the development of private investment in the marketability of property thereby increasing the tax base of the Town and providing employment for its citizens; and

WHEREAS, Pursuant to 65 ILCS 5/8-1-2.5, a municipality may appropriate and expend funds for economic development purposes, including, without limitation, the making of grants for commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the community; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 et seq., as amended (the “Act”), the Town has the authority to provide incentives to owners or prospective owners of real property to develop, redevelop, rehabilitate and/or upgrade such property by reimbursing the owner for certain costs from resulting increases in real estate tax revenues (“real estate tax increment”) and enter into contracts with developers necessary or incidental to the implementation of its redevelopment plan pursuant to 65 ILCS 5/11-74.4-4(b) and (j); and

WHEREAS, on January 23, 2012, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or obsolete or a combination thereof, the Town adopted Tax Increment Financing and created a Tax Increment Allocation Redevelopment area under the TIF Act for the Cortland Tax Increment Financing District (the “TIF District”); and

WHEREAS, included in the Redevelopment Project Area is property to be acquired by the Developer located at 90 West Ellwalk Street, Cortland, Illinois, real estate tax property identification number 09-29-182-015, hereafter be referred to as the “Subject Property”; and

WHEREAS, the Developer plans to acquire the Subject Property and construct a showroom and warehouse on the Property with office space for a new flooring business (the “Project”), and is doing so based on the availability of TIF incentives offered by the Town; and

WHEREAS, it is the intent of the Town to encourage economic development which will increase the real estate tax base of the Town, which increased taxes will be used, in part, to finance incentives to assist this Developer’s Project; and

WHEREAS, the Developer's proposed Project is consistent with the TIF District Redevelopment Plan and Projects for the Redevelopment Project Area and further conforms to the land uses and Comprehensive Plan of the Town as adopted; and

WHEREAS, pursuant to Section 5/11-74.4-4(b) of the Act, the Town may make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others necessary or incidental to the implementation and furtherance of the Redevelopment Plan; and

WHEREAS, pursuant to Section 5/11-74.4-4(j) of the Act, the Town may incur project redevelopment costs and reimburse developers who incur redevelopment project costs authorized by a redevelopment agreement and further defined in Section 5/11-74.4-3(q) of the Act, including those Estimated TIF Eligible Project Costs as herein listed in the attached ***Exhibit 1*** of this Redevelopment Agreement; and

WHEREAS, the Developer requested that incentives for the development be provided by the Town from incremental increases in real estate taxes of the Town and that such incentives include the reimbursement of Eligible Project Costs; and

WHEREAS, the Town has determined that this Project required the incentives requested as set forth herein and that said Project will, as a part of the Plan, promote the health, safety and welfare of the Town and its citizens by attracting private investment to prevent blight and deterioration, to develop underutilized property and to provide employment for its citizens and to generally enhance the economy of the Town; and

WHEREAS, the Town has reviewed the conditions of the Subject Property and has reason to believe that the costs of the necessary public and private improvements to be incurred by the Developer in furtherance of the Project are eligible project costs under the Act and are consistent with the Redevelopment Plan of the Town; and

WHEREAS, the Parties have agreed that the Town shall reimburse the Developer on a pay-as-you-go basis for Developer's Estimated TIF Eligible Project Costs as set forth in ***Exhibit 1*** attached hereto, up to the maximum amount of **Ninety-Five Thousand Dollars and No Cents (\$95,000.00)**, which monies shall be utilized by the Developer strictly in conformance with this Agreement; and

WHEREAS, in consideration of the execution of this Agreement, the Developer is to complete the Project as set forth in ***Exhibit 1***; and

WHEREAS, the Town is entering into this Agreement having encouraged and induced the Developer to proceed with the Project located on said Property.

AGREEMENTS

NOW, THEREFORE, the Parties, for good and valuable consideration, the receipt of which is acknowledged, agree as follows:

A. PRELIMINARY STATEMENTS

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement and are to be construed as binding statements of this Agreement.

2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.
3. The Town is extending incentives for this Project and is relying on the representation of the Developer contained herein to substantially complete the Project as set forth herein.
4. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.
5. The Developer shall remain in compliance with all municipal ordinances relating to property development, property condition, zoning, subdivision and building codes. Failure to cure the violation of any such ordinance within thirty (30) days upon being provided written notice of the same by the Town shall be cause for the Town to declare the Developer in Default and unilaterally terminate this Agreement, except where such failure is not reasonably susceptible to cure within such 30-day period, in which case the Developer shall have such additional time to cure as is reasonably necessary, provided that the Developer has commenced such cure within such 30-day period and continues to diligently prosecute the same to completion.
6. The Developer shall complete the Project within twelve (12) months from the date this Agreement is executed, subject to extension due to Force Majeure (defined below), or as agreed by Town. The Project shall be deemed to be complete when all renovations are complete, the Developer has received a Certificate of Occupancy from the Town and the Cortland Flooring business is open to the public.
7. In order to continue receiving the incentives set forth herein, the Developer agrees to provide any information to the Town upon written request of the Town regarding the number of jobs created and/or retained by the Project as may be required by the Act and/or by the Illinois Comptroller. Failure to provide such information within forty-five (45) days of the date of Town's request shall be cause for Town, at Town's sole discretion, to declare the Developer in default and/or for the Town to withhold any payments due Developer until such time as the Town's request is satisfied.

B. DEFINITIONS

“TIF Eligible Project Costs” shall mean those costs which are eligible for reimbursement under the TIF Act and are further described in ***Exhibit 1*** attached hereto.

C. ADOPTION OF TAX INCREMENT FINANCING

The Town has created a Tax Increment Financing District known as the “Cortland TIF District” which includes the Developer's Property. The Town has approved certain Redevelopment Project Costs, including the types described in ***Exhibit 1*** for the Developer's Project which shall be hereafter known as the **“Cortland Flooring, Inc. Project”**.

D. INCENTIVES

In consideration for the Developer purchasing the Property and substantially completing the Project as set forth herein, the Town agrees to extend to the Developer the following incentives to assist the Developer's Project:

1. **Forgivable Loan.** Upon completion of the Project and verification of the Developer's TIF Eligible Project Costs, the Town agrees to loan the Developer a total amount not to exceed **Ninety-Five Thousand Dollars and No Cents (\$95,000.00)** from the Cortland TIF District Special Tax Allocation Fund. The terms and conditions of the Loan shall be as follows:
 - a. The full Loan amount, not to exceed **Seventy-Five Percent (75%)** of the verified TIF Eligible Project Costs or **Ninety-Five Thousand Dollars and No Cents (\$95,000.00)**, whichever is less, shall be paid to the Developer from the Cortland TIF District Special Tax Allocation Fund within thirty (30) days following completion of the Project as defined in **Section A(6)** above and verification of the Developer's TIF Eligible Project Costs pursuant to **Section E** below.
 - b. The interest rate for the note shall be Three Percent (3%) per annum and shall begin to accrue on the date the loan funds are disbursed to the Developer.
 - c. The term of the note shall expire on the fifth (5th) anniversary of the date the loan funds are disbursed to the Developer hereunder.
 - d. One-fifth (1/5) of the principal amount of the loan, plus any accrued interest thereon, shall be forgiven annually by the Town commencing one (1) year from the date the loan funds are disbursed to the Developer and continuing on said date of each year thereafter for the term of the loan, provided the Developer has been at all times in full compliance with every term of this Agreement, including the following:
 - i. The Developer shall maintain constant and continuous operation of the Cortland Flooring business located on the Property during regular customary hours from the time the Project is complete and continuing for the term of this Agreement.
 - ii. The Developer shall annually provide verification of the payment of the real estate taxes for the property during the term of this Agreement.
 - iii. The Developer does not file for bankruptcy or otherwise become insolvent during the term of this Agreement.
 - iv. The Property is not the subject of foreclosure proceedings during the term of this Agreement.
 - v. The Developer does not sell or otherwise convey the Property, other than by residential leases of the units located therein, during the term of this Agreement.
 - vi. The Developer shall carry adequate insurance on the Property to cover the replacement cost of the completed Project.
 - vii. As signatories to this Agreement Cortland Flooring, Inc. and Richard Jonutz shall be guarantors and shall be jointly and severally liable in the event of a default thereof by the Developer.

E. PAYMENT OF ELIGIBLE PROJECT COSTS

1. Payment to the Developer for TIF Eligible Project Costs as set forth by the Act, shall be made by a Requisition for Payment of Private Development Redevelopment Costs (see ***Exhibit 2***, the “Requisition”) submitted from time to time by the Developer to the Town’s TIF Administrator Jacob & Klein, Ltd., with copy to The Economic Development Group, Ltd. (collectively, the “Administrator”), and subject to the Administrator’s approval of the costs and to the availability of funds in the TIF District Special Tax Allocation Fund Account.
2. All Requisitions must be accompanied by all corresponding verified receipts, invoices, bills or statements of suppliers, contractors, or professionals, together with Mechanic’s Lien Waivers (whether partial or full), if applicable, cancelled checks or other proof of payment as required by the Town.
3. The Administrator shall approve or disapprove of a Requisition by written receipt to the Developer within sixty (60) calendar days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld. If a Requisition is disapproved by the Administrator, the reasons for disallowance will be set forth in writing and the Developer may resubmit the Requisition with such additional information as may be required and the same procedures set forth herein shall apply to such re-submittals.
4. All approved TIF Eligible Project Costs shall be paid by the Town from the Special Account to the Developer. The Town shall pay such approved Eligible Project Costs provided the Developer has satisfied the terms of this Agreement and provided sufficient verification of costs equal to or exceeding the amount payable to the Developer under this Agreement. Payments shall be made within forty-five (45) days after approval of the TIF Eligible Project Costs subject to the terms of this Agreement.
5. The Parties acknowledge that the determination of TIF Eligible Project Costs, and, therefore, qualification for reimbursement hereunder is subject to changes or interpretation made by amendments to the Act, administrative rules, or legally binding judicial interpretation during the term of this Agreement. The Town has no obligation to the Developer to attempt to modify those decisions but will reasonably assist the Developer in every respect to obtain approval of Eligible Project Costs.

F. DEFAULT; CURE; REMEDIES

In the event of a default under this Redevelopment Agreement by any party hereto (the “Defaulting Party”), which default is not cured within the cure period provided for below, then the other Party (the “Non-defaulting Party”), may have an action for damages, or, in the event damages would not fairly compensate the Non-defaulting Parties for the Defaulting Party’s breach of this Redevelopment Agreement, the Non-defaulting Party shall have such other equity rights and remedies as are available to them at law or in equity. Any damages payable by the Town hereunder shall be limited to the real estate tax increment payable to the Developer under the terms of this Agreement.

In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this Redevelopment Agreement, it shall not be deemed to be in default under this Redevelopment Agreement unless it shall have failed to perform such monetary covenant within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying that it has failed to perform such monetary covenant. In the event a Defaulting Party fails to perform any nonmonetary covenant

as and when it is required to under this Redevelopment Agreement, it shall not be deemed to be in default if it shall have cured such default within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying the nature of the default, provided, however, with respect to those nonmonetary defaults which are not capable of being cured within such thirty (30) day period, it shall not be deemed to be in default if it commences curing within such thirty (30) day period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

G. LIMITED OBLIGATION

The Town's obligation hereunder to pay the Developer for Eligible Project Costs is a limited obligation to be paid solely from the TIF Special Account. Said obligation does not now and shall never constitute an indebtedness of the Town within the meaning of any State of Illinois constitutional or statutory provision and shall not constitute or give rise to a pecuniary liability of the Town or a charge or lien against any Town fund or require the Town to utilize its taxing authority to fulfill the terms of this Agreement.

H. WAIVER

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right of remedy does so in writing. No such waiver shall obligate such party to waive any right of remedy hereunder or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

I. SEVERABILITY

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

J. VERIFICATION OF REAL ESTATE TAX INCREMENT

1. It shall be the sole responsibility of the Developer or its designee to provide to the Town, as requested in writing, copies of all PAID real estate tax bills, annually, for the Property.
2. The failure of Developer to provide any material information required herein after written notice from the Town, and the continued failure to provide such information within (30) days after such notice, shall be considered a breach of this Agreement and shall be cause for the Town to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

K. REIMBURSEMENT OF THE DEVELOPER'S SHARE OF TAX OBJECTION REFUNDS

If a refund of incremental property tax revenue (including any accrued statutory interest thereon) is potentially due from the Town's TIF Fund as the result of any tax objection, assessment challenge or formal appeal to the Illinois Property Tax Appeal Board (PTAB), issuance of a certificate of error or other such action, including any appeals therefrom concerning the potential reduction of assessed value of the Property, the Town may at its sole discretion withhold the Developer's share of any such possible refund (including any accrued statutory interest thereon) from future reimbursements

calculated to be paid to the Developer under this Agreement. Furthermore, the Developer is hereby obligated to provide written notice to the Town within five (5) days of filing any such objection, assessment challenge or formal appeal to the PTAB or other such action, including any appeals therefrom, that could potentially reduce the assessed value of the Property. Failure to provide such notice shall be considered a breach of this Agreement and shall be cause for the Town to deny payments hereunder to the Developer.

Any funds withheld by the Town under this *Section K* shall be deposited by it into a special interest-bearing bank account. Upon final determination of the assessed value of the Property, the Town shall pay to the Developer the principal amount due under this Agreement as recalculated. The Town shall be entitled to retain any interest earned on the account as partial payment for the administration of the account due to the delay of the determination of the final evaluation and recalculation of the benefits due the Developer under this Agreement.

If it appears to the Town that it will be unable to recover the Developer's share of any such refund (including any accrued statutory interest thereon) from the remaining future reimbursements due the Developer under the Agreement, the Developer shall reimburse the Town for the Developer's remaining unpaid share of such refund within thirty (30) days upon receiving written demand of the same from the Town.

Notwithstanding anything contained in this Agreement to the contrary, the obligations contained in this *Section K* shall remain in effect for the remaining life of the TIF District, (identified by the Town as tax year 2035 payable 2036). Furthermore, the obligations set forth in this *Section K* shall survive the expiration of the TIF District if a tax objection or other such action taken by the Developer is pending prior to the expiration of the TIF District and shall continue until final disposition of such action.

L. NOTICES

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

TO TOWN:

Town of Cortland
Attn: Town Clerk
59 S Somonauk Rd., P.O. Box 519
Cortland, IL 60112
Telephone: (815) 756-9041

TO DEVELOPER:

Cortland Flooring, Inc.
Attn: Richard Jonutz
300 W Route 38
Cortland, IL 60112
Telephone: (815) 970-0416

With Copy to:

Jacob & Klein, Ltd.
The Economic Development Group, Ltd.
1701 Clearwater Avenue
Bloomington, IL 61704
Telephone: (309) 664-7777

M. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED

Neither anything in this Agreement nor any acts 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.

N. INDEMNIFICATION OF TOWN

Developer acknowledges that it is responsible for compliance with the Illinois Prevailing Wage Act, but only to the extent such law, by its terms, is applicable to the Project. In such event, the Developer shall not pay less than the prevailing rate of wages as found by the Town or Illinois Department of Labor to all laborers, workers and mechanics performing work under this Agreement. The Developer shall indemnify and hold harmless the Town, and all Town elected or appointed officials, officers, employees, agents, representatives, engineers, consultants and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Illinois Prevailing Wage Act (820 ILCS 130/0.01 et. seq.), the Illinois Procurement Code, and/or any similar State or Federal law or regulation. In addition, the Developer agrees to indemnify and hold harmless the Town for any claim asserted against the Town arising from the Developer's Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to the Developer hereunder. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of Town, including but not limited to the reasonable attorney fees of Town.

O. ASSIGNMENT

The rights (including, but not limited to, the right to payments contemplated by *Section C* of this Agreement) and obligations (or either of them) of the Developer under this Agreement shall be fully assignable by the Developer provided written notice is provided to the Town and the Town's consent is obtained prior to such assignment. The Town's consent shall not be unreasonably withheld provided that the nature of the Project is not substantially changed, and further provided that the assignee is financially capable of fulfilling the obligations of the assignor. Any such assignment shall be subject to all the terms and conditions contained in this Agreement. Further, no such assignment shall be deemed to release the assignor of its obligations to the Town under this Agreement unless the consent of the Town to the release of the assignor's obligations is first obtained.

P. SUCCESSORS IN INTEREST

Subject to the provisions of *Section O* above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns, if any.

Q. TOWN PUBLIC PROJECTS

The Town intends to use part or all of its share of the Project's real estate increment for other public projects within the TIF District or within contiguous TIF Districts as allowed by law. The Town shall be eligible for reimbursement of the cost of doing so, as well as other eligible costs incurred by the Town in the TIF District.

R. LIMITED LIABILITY OF TOWN TO OTHERS FOR DEVELOPER'S EXPENSES

There shall be no obligation by the Town to make any payments to any person other than the Developer, nor shall the Town be obligated to make direct payments to any other contractor, subcontractor, mechanic, or materialman providing services or materials to the Developer for the Developer's Project.

S. COOPERATION OF THE PARTIES

1. The Town and the Developer agree to cooperate fully with each other when requested to do so concerning the development of the Developer's Redevelopment Project. This includes without limitation the Town assisting or sponsoring the Developer, or agreeing to jointly apply with the Developer, for any grant, award, subsidy, or additional funding which may be available from other governmental sources as the result of the Developer's or Town's activities. This also includes without limitation the Developer assisting or sponsoring the Town, or agreeing to jointly apply with the Town, for any grant, award, or subsidy which may be available as the result of the Town's or the Developer's activities.
2. The Parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions, and certifications (and, in the Town's case, the adoption of such ordinances and resolutions), as may be necessary or appropriate, from time to time, to carry out the terms, provisions, and intent of this Agreement and to aid and assist each other in carrying out said terms, provisions, and intent.
3. The Parties shall cooperate fully with each other in seeking from any or all appropriate governmental bodies all approvals (whether federal, state, county or local) required or useful for the construction or improvement of property and facilities in and on the Property or for the provision of services to the Property, including, without limitation, wetland mitigation, gas, telephone, and electric utility services, roads, highways, rights-of-way, water and sanitary sewage facilities, and storm water disposal facilities.

T. TITLES OF PARAGRAPHS

Titles of the several parts, paragraphs, sections, or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provisions hereof.

U. WARRANTY OF SIGNATORIES

The signatories of Developer warrant full authority to both execute this Agreement and to bind the entity in which they are signing on behalf of.

V. ENTIRE AGREEMENT

The terms and conditions set forth in this Agreement and exhibits attached hereto supersede all prior oral and written understandings and constitute the entire agreement between the Town and the Developer with respect to the subject matter hereof.

W. TERM OF THE AGREEMENT

Notwithstanding anything contained herein to the contrary, this Agreement shall expire upon the first to occur of: (1) the date that is five years from the date the funds are disbursed to the Developer; (2) upon default by Developer under this Agreement after the applicable notice and cure periods provided herein; (3) upon the filing of a bankruptcy petition by Developer; or (4) filing of a foreclosure proceeding against the Property subject to this Agreement.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Cortland, Illinois.

TOWN OF CORTLAND, ILLINOIS,
a Municipal Corporation

BY: _____
Mayor, Town of Cortland

ATTEST:

Town Clerk, Town of Cortland

DEVELOPER:
CORTLAND FLOORING, INC.
an Illinois Corporation

BY: _____
Richard Jonutz, President

AND

RICHARD JONUTZ, individually

Richard Jonutz

EXHIBIT 1

SUMMARY OF ESTIMATED TIF ELIGIBLE PROJECT COSTS

Cortland Flooring, Inc. Project

Cortland TIF District in the Town of Cortland, DeKalb County, Illinois

Project Description: The Developer plans to acquire the Property and construct a showroom and warehouse on the Property with office space for a new flooring business.

Project Location: 90 West Ellwalk Street, Cortland, Illinois.

PIN#: 09-29-182-015

Estimated TIF Eligible Project Costs:

Property Acquisition.....	\$95,000.00
Site Preparation, Clearing and Grading	\$13,997.50
Professional Fees	\$12,700.00
Utility Extensions.....	\$4,050.00
Public Infrastructure Improvements.....	<u>\$1,850.00</u>
*Total Estimated TIF Eligible Project Costs.....	\$127,597.50

*The Developers Total Reimbursement of Eligible Project Costs shall not exceed **75%** of the verified TIF eligible project costs or **\$95,000.00**, whichever is less, as set forth in this Agreement.

EXHIBIT 2

TOWN OF CORTLAND, ILLINOIS CORTLAND TAX INCREMENT FINANCING DISTRICT

PRIVATE PROJECT REQUEST FOR REIMBURSEMENT BY

CORTLAND FLOORING, INC. AND RICHARD JONUTZ

Date _____

Attention: Town TIF Administrator, Town of Cortland, Illinois

Re: TIF Redevelopment Agreement, dated February 24, 2025 by and between the Town of Cortland, Illinois, and Cortland Flooring, Inc. and Richard Jonutz (the “Developer”)

The Town of Cortland is hereby requested to disburse funds from the Special Tax Allocation Fund pursuant to the Redevelopment Agreement described above in the following amount(s), to the Developer and for the purpose(s) set forth in this Request for Reimbursement. The terms used in this Request for Reimbursement shall have the meanings given to those terms in the Redevelopment Agreement.

1. REQUEST FOR REIMBURSEMENT NO. _____
2. PAYMENT DUE TO: Cortland Flooring, Inc.
3. AMOUNTS REQUESTED TO BE DISBURSED:

Description of TIF Eligible Project Cost	Amount
Total	

4. The amount requested to be disbursed pursuant to this Request for Reimbursement will be used to reimburse the Developer for Redevelopment Project Costs for the Project detailed in ***Exhibit 1*** of the Redevelopment Agreement.
5. The undersigned certifies that:
 - (i) the amounts included in (3) above were made or incurred or financed and were necessary for the Project and were made or incurred in accordance with the construction contracts, plans and specifications heretofore in effect; and

- (ii) the amounts paid or to be paid, as set forth in this Request for Reimbursement, represent a part of the funds due and payable for TIF Eligible Redevelopment Project Costs; and
 - (iii) the expenditures for which amounts are requested represent proper Redevelopment Project Costs as described in *Section E* of the Redevelopment Agreement, have not been included in any previous Request for Reimbursement, have been properly recorded on the Developer's books and are set forth with invoices attached for all sums for which reimbursement is requested, and proof of payment of the invoices; and
 - (iv) the amounts requested are not greater than those necessary to meet obligations due and payable or to reimburse the Developer for its funds actually advanced for Redevelopment Project Costs; and
 - (v) the Developer is not in default under the Redevelopment Agreement and nothing has occurred to the knowledge of the Developer that would prevent the performance of its obligations under the Redevelopment Agreement.
6. Attached to this Request for Reimbursement is ***Exhibit 1*** of the Redevelopment Agreement, together with copies of invoices, proof of payment of the invoices, and Mechanic's Lien Waivers relating to all items for which reimbursement is being requested.

BY: _____(Developer)

TITLE: _____

APPROVED BY TOWN OF CORTLAND, ILLINOIS

BY: _____

TITLE: _____ DATE: _____

REVIEWED BY JACOB & KLEIN, LTD. & THE ECONOMIC DEVELOPMENT GROUP, LTD.

BY: _____

TITLE: _____ DATE: _____