
THE CITY OF ROCHELLE
Ogle County, Illinois

RESOLUTION
NO. _____

RESOLUTION AUTHORIZING A REDEVELOPMENT AGREEMENT
WITH KC AND SC, LLC, FOR 417 CHERRY

JOHN BEARROWS, Mayor
ROSE HUERAMO, City Clerk

TOM MCDERMOTT
BIL HAYES
DAN MCDERMOTT
KATE SHAW-DICKEY
ROSAELIA ARTEAGA
BEN VALDIVIESO

City Council

Published in pamphlet form by authority of the Mayor and City Council of the City of Rochelle
Peterson, Johnson, and Murray, LLC, City Attorneys
200 W. Adams, Suite 2125 Chicago, IL 60606

**RESOLUTION AUTHORIZING A REDEVELOPMENT AGREEMENT
WITH KC AND SC, LLC, FOR 417 CHERRY**

RESOLUTION NO. _____

WHEREAS, Section 7 of Article VII of the 1970 Constitution of the State of Illinois provides that a municipality that is not a home rule unit shall only have the powers granted to them by law and as such the City of Rochelle (“City”), Ogle County, Illinois being a non-home rule unit pursuant to the provisions of said Section 7 of Article VII, and may exercise only the powers expressly granted by law; and

WHEREAS, KC and SE, LLC owns the property at 417 Cherry in Rochelle; and

WHEREAS, the owners have approached the City to enter into a redevelopment agreement to address the structural repairs that are necessary to preserve the viability of the building; and

WHEREAS, the estimated cost of the structural repairs is \$94,466 (see estimate attached as Exhibit C); and

WHEREAS, the City seeks to support local business owners in order to maintain the local tax base and maintain employment; and

WHEREAS, in order to preserve the building and business at 417 Cherry, the City seeks to enter into a redevelopment agreement with KC and SE, LLC.

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF ROCHELLE, ILLINOIS as follows:

SECTION ONE: The foregoing Recitals are not mere preparatory language but are hereby incorporated in this Section 1 as if said Recitals were fully set forth.

SECTION TWO: The City Manager is authorized and directed, by this action of the City Council, to take all steps necessary to: enter into a Redevelopment Agreement with KC and SE, LLC, in a form substantially consistent with the terms of the attached Exhibit 1; any changes to be reviewed and approved by the City attorney.

SECTION THREE: If any provision of this Resolution or application thereof to any person or circumstance is ruled unconstitutional or otherwise invalid, such invalidity shall not affect other provisions or applications of this Resolution that can be given effect without the invalid application or provision, and each invalid provision or invalid application of this Resolution is severable.

SECTION FOUR: Where the conditions imposed by any provisions of this Resolution are more restrictive than comparable provisions imposed elsewhere in any other local law, ordinance, resolution, rule or regulation, the regulations of this Resolution will govern.

SECTION FIVE: The City Clerk shall publish this Resolution in pamphlet form.

SECTION SIX: This Resolution shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED THIS _____ day of December, 2023.

AYES:

NAYS:

ABSENT:

APPROVED THIS _____ day of December, 2023.

MAYOR

ATTEST:

CITY CLERK

EXHIBIT 1 – REDEVELOPMENT AGREEMENT

[NOT FOR EXECUTION]

REDEVELOPMENT AGREEMENT

This Redevelopment Agreement (“Agreement”) dated as of this ____ day of December 2023 is made by and between the CITY OF ROCHELLE, an Illinois municipal corporation, having its offices at 420 North 6th Street, Rochelle, IL 61068 (“City”) and KC and SE, LLC, an Illinois limited liability company (“Developer”). All capitalized terms are defined herein or otherwise have such definition as set forth in the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 et seq, as amended, (the “Act”)

RECITALS

WHEREAS, the City is a duly organized and existing municipality created under the provisions of the laws of the State of Illinois, and is now operating under the provisions of the Illinois Municipal Code, as supplemented and amended;

WHEREAS, the City is authorized under the Act to undertake the redevelopment, including but not limited to, the approval of redevelopment plans and projects, of “blighted areas” and “conservation areas” within the City if the conditions specified in the Act are met, and is further authorized to implement tax increment allocation financing (“TIF”) to pay the costs of such redevelopment permitted under the Act;

WHEREAS, the City has determined that it is in the best interests of the City and that it desires to redevelop and support certain real properties located within the City and designated by the City as the Downtown and Southern Gateway Redevelopment Project Area and pursuant to its Redevelopment Plan dated January 11, 2016, as such term is defined in the Act;

WHEREAS, on June 8, 2015, the City adopted Resolution Number R15-9 Expressing the Official Intent of the City regarding the Negotiation of a Redevelopment Agreement and the Reimbursement of Certain Expenditures in connection with the Downtown and Southern Gateway Redevelopment Project Area (“Inducement Resolution”); and

WHEREAS, the City adopted Ordinance No. 15-4472 on August 24, 2015, authorizing the establishment of a “Tax Increment Financing Interested Parties Registry” and adopting rules for the registry; and

WHEREAS, on August 24, 2015, the City Council adopted Ordinance No. 15- 4473, which, in accordance with the terms and conditions of the Act, set the time and date for a Joint Review Board Meeting, a Public Hearing and provided for the mailing of certain Notices, as such items are defined under and required by the Act; and

WHEREAS, on October 20, 2015, the City convened a meeting of the Joint Review Board (“JRB”) to review the feasibility study and other planning documents related to the Redevelopment Project Area and Redevelopment Plan and the majority of the JRB members found the

Redevelopment Project Area and Redevelopment Plan met the requirements of the Act and approved both the Redevelopment Project Area and the Redevelopment Plan; and

WHEREAS, the City, in accordance with the Act, conducted a public hearing with respect to the Redevelopment Plan and the Redevelopment Project Area at a meeting of the City Council held on November 19, 2015; and

WHEREAS, the City has found that the Redevelopment Project Area has not been subject to growth and development through investment by private enterprise and would not reasonably be anticipated to be developed without adoption of the Redevelopment Plan; and

WHEREAS, pursuant to the Act, the City, by Ordinance No.'s 16-4509, 16-4510 and 16-4511 adopted by the City Council on January 11, 2016, approved the Redevelopment Plan and Project, designated the Redevelopment Project Area, specifically entitled the Downtown and Southern Gateway Redevelopment Project Area, and adopted tax increment financing for the Redevelopment Project Area; and

WHEREAS, the Developer is the owner of certain real property within the Redevelopment Project Area, which is legally described in Exhibit A, attached hereto and incorporated herein ("Property"), and which is comprised of approximately _____ square feet of real property commonly known as 417 Cherry, Rochelle, IL, 61068 (as depicted on Exhibit B) and as PIN 24-24-378-007, within the corporate limits of the City; and

WHEREAS, the Developer desires to continue to invest in the Property and the existing building located thereon with a sports bar by repairing the foundation and structural issues in order to preserve the building (Developer Project estimate attached herein as Exhibit C); and

WHEREAS, the City, after due and careful consideration, has concluded that the repair of the foundation and structural issues are absolutely necessary in order to preserve the building and local business in order to support continued growth of the entire Redevelopment Project Area, and encourage an increase in the assessed valuation of real estate situated within the Redevelopment Project Area, as well as increase the economic activity within the City, and maintain jobs within the City, and otherwise be in the best interests of the City by furthering the health, safety, morals, and welfare of its residents and taxpayers; and

WHEREAS, the City desires to enter into this Redevelopment Agreement with the Developer and agrees that the use of TIF is necessary to preserve the Property and business and thus necessary to defray certain costs of the Developer Project to the extent such costs qualify as Developer's Eligible Redevelopment Project Costs, as such term is defined herein.

NOW, THEREFORE, in consideration of the mutual covenants and agreements contained in this Agreement and other good and valuable consideration, the sufficiency of which is hereby acknowledged, the City and Developer agree as follows:

SECTION I
INCORPORATION OF RECITALS

The Recitals set forth above are an integral part of this Agreement and by this reference incorporated herein in this Section I.

SECTION II
REPRESENTATIONS AND WARRANTIES

2.1 **Representations and Warranties of Parties.** To induce one another to execute this Agreement and perform their respective obligations hereunder, Developer hereby represents and warrants to the City, and the City represents and warrants to the Developer, as follows:

A. Representations of Developer:

i. Developer is a duly organized and existing limited liability company in good standing under the laws of the State of Illinois;

ii. No litigation or proceedings are pending, or to the best of Developer's knowledge, are threatened against Developer, which: (i) affect the ability of Developer to perform its obligations pursuant to and as contemplated by the terms and provisions of this Agreement; or (ii) materially affect the operation or financial condition of Developer;

iii. To the best of Developer's knowledge, the execution, delivery and performance by Developer of this Agreement does not constitute, or will not, upon giving of notice or lapse of time, or both, constitute a breach or default under any other agreement to which Developer is a party to or may be bound under;

iv. The parties executing this Agreement on behalf of Developer have been duly authorized by all appropriate action to enter into, execute, and deliver this Agreement and perform the terms and obligations contained herein.

B. Representations of City:

i. No litigation or proceedings are pending, or to the best of the City's knowledge, are threatened against City, which : (i) affect the ability of City to perform its obligations pursuant to and as contemplated by the terms and provisions of this Agreement; or (ii) materially affect the operation or financial condition of City;

ii. No litigation or proceedings are pending, or to the best of the City's knowledge, are threatened, (a) before any court or governmental agency having jurisdiction over enforcement of the Act and the subject matter contemplated by this Agreement regarding a determination that the contemplated Agreement, or payments contemplated to be made hereunder, are contrary to law, (b) before a court or governmental agency having jurisdiction thereof challenging the legitimacy of the Downtown and Southern Gateway Redevelopment Project Area and Plan.

iii. The execution, delivery and performance by the City of this Agreement does not constitute, or will not, upon giving of notice or lapse of time, or both, constitute a breach or default under any other agreement to which the City is a party to or may be bound under;

iv. The parties executing this Agreement on behalf of the City have been duly authorized by all appropriate action to enter into, execute, and deliver this Agreement and perform the terms and obligations contained herein.

2.2 Survival of Representations and Warranties. The parties agree that all of its representations and warranties set forth in this Section and elsewhere in this Agreement are true as of the execution date of this Agreement and shall survive for the term of this Agreement. To the extent any of the representations and warranties cease to be true, Developer or the City, as applicable, shall immediately notify the other party of the same.

SECTION III **DEVELOPER AND CITY OBLIGATIONS**

3.1 Right of First Refusal and Economic Development Grant. Developer shall have the right to sell the Property at any time, however, the City is hereby granted a right of first refusal during the term of this Agreement. To the extent the Developer receives a bona fide offer to purchase from a third party which the Developer intends to accept, the Developer shall within three (3) days of the receipt of such offer give written notice to the City that the Developer intends to accept said offer. The City shall then have fourteen (14) calendar days to inform the Developer in writing of whether the City is exercising its right of first refusal to purchase the Property for the same price as offered by the third party. To the extent the City decides not to exercise its right of first refusal, the Developer shall be permitted to sell the Property to the third party on the terms of the offer. To the extent the City decides to exercise its right of first refusal, the Developer shall decline the offer from the third party and enter into negotiations with the City for the sale of the Property back to the City at the same price as offered by the third party.

3.2 Development and Operations. Subject to the provisions of Section 8.2 below, Developer shall commence construction of the Developer Projects (estimate attached herein as Exhibit C) within thirty (30) days of the execution of this Agreement. All construction shall comply with all federal, state and local regulations, codes, ordinances and laws of general applicability to the Developer Project (collectively, the “Legal Requirements”). All construction will be submitted through the City’s typical review and approval process for other development and construction projects occurring throughout the City. Developer shall complete Project by January 31, 2024.

3.3 Plans and specifications. The construction and use of the Developer Project shall conform to the Legal Requirements, including, but not limited to, the City’s Code of Ordinances in effect as of the date of this Agreement, and any state, federal or agency regulations applicable to the Developer Project. All site, architectural and engineering drawings and specifications (the “Plans”)

for the Developer Project will be submitted by Developer at its sole cost and expense and will be reviewed and processed by the City or its agents pursuant to City Ordinance as amended from time to time and as forth below.

Such Plans shall conform to all applicable federal, State and City laws and ordinances currently in force concerning the rights of accessibility for the physically disabled and concerning environmental issues.

3.4 **Real Estate Taxes.** Developer will provide the City with proof of previous year's tax payments by January 8, 2024. Developer shall pay all real estate tax bills for the Property when due and payable and shall not challenge any tax assessment through 2027. Developer will provide proof of payment of real estate taxes to the City in years 2024, 2025 and 2026. Failure to provide proof of property tax payments shall result in a \$500 fee per year.

3.5 **Lien Waivers.** Developer will provide the City with lien waivers for all contractors by January 8, 2024.

3.6 **Completion of Developer Project.** Subject to Section 3.8 below, Developer agrees to pay any and all costs and expenses of the Developer Project incurred by Developer.

3.7 **City's Right to Monitor and Inspect Property.** The City's right to inspect the Property shall not be greater than those which apply to other property generally throughout the City.

3.8 **Eligible Redevelopment Project Costs.** "Developer's Eligible Redevelopment Project Costs" are those costs, or portions thereof, for which the Developer shall be reimbursed through the provision of tax increment financing from the City, as outlined in sections 4.2 and 4.3.

3.9 **Hearings and Approvals.** The City agrees to promptly hold all hearings, post or publish all notices, undertake all reviews and otherwise take all actions as expeditiously as possible to assist Developer in commencing and completing the Developer Project, including, without limitation, review of any site plans, plats, sign plans or building plans, and issuing approvals and permits for the same, administering and processing all payments in and from the STAF, and issuing any required occupancy permits or business licenses. Further, City agrees to grant to Developer any and all necessary City business/liquor/gaming/zoning permits and/or licenses associated with the Developer Project. Developer shall be responsible for all applicable application, license and permit fees and costs. To the extent the City fails to grant any license or permit applied for by the Developer, Developer shall have the right to terminate this Agreement.

3.10 **Continued ownership of building and operating of business.** Developer agrees to continue the operation of the sports bar. Should developer close the sports bar or sell the Property before February 2, of 2027, Developer will be responsible for repayment of TIF funds according to Section 4.4.

SECTION IV
TAX INCREMENT FINANCING (“TIF”)

4.1 **Tax Increment Financing of Redevelopment Project Costs.** Developer has represented to the City that, but for tax increment financing, the Developer Project would not be economically viable. The Parties agree that TIF, implemented in accordance with the terms and provisions of the Act and this Agreement, will be a source of funding for the Developer Project in order to make the Developer Project economically viable. City agrees that it shall not take any action to terminate the Redevelopment Project Area or the imposition of TIF within the Redevelopment Project Area prior to its natural expiration after 23 years.

4.2 **Available Tax Increment.** Developer is eligible for up to \$49,722.30 of Developer Project costs. The estimated cost of repairing the foundation to preserve the building is \$94,466 (Exhibit C). If the Project Cost does not exceed the estimate, Developer will be eligible for \$45,000. If Developer has complied with all obligations contained herein and the project does not exceed the estimated cost, the City will issue a \$45,000 payment to Developer on January 8, 2024.

4.3 **Change Order or Unexpected Development Costs.** Should there be a change order or unexpected expenses associated with the Project, causing the Project to exceed the estimated total cost of \$94,466; the City will pay costs exceeding the estimate up to an additional \$4,722.30 (five percent (5%) of the estimate) for a total of \$49,722.30. Should the change order or unexpected costs exceed \$4,722.30, the Developer will be responsible for those costs.

4.4 **Repayment of Tax Increment.**

1. If Developers closes the sports bar or sells Property on or before February 1, 2025, Developer will reimburse the City for seventy-five percent (75%) of the TIF Funding.
2. If Developer closes sports bar or sells the Property on or before February 1, 2026, Developer will reimburse the City for fifty-percent (50%) of the TIF Funding.
3. If the Developer closes sports bar or sells the Property on for before February 1, 2027, Developer will reimburse the City for twenty-five percent (25%) of the TIF Funding.

4.5 **Authenticating the Developer Eligible Redevelopment Project Costs.** Prior to being provided tax increment in accordance with Section 4.2, Developer shall submit to the City reasonable evidence that certain of the Developer’s Eligible Redevelopment Project Costs have been incurred and paid for by the Developer. By way of example and not limitation, paid invoices, receipts, contracts and other documentation shall be evidence such costs have been incurred by Developer, and the City reserves the right to require additional documentation in its sole discretion.

4.6 **Restrictions on Assignment.** Developer shall not assign its rights or obligations under this Agreement without the express prior written consent of the City, which consent shall not be unreasonably withheld or delayed. Notwithstanding the foregoing, Developer shall have the right

to assign this Agreement at any time to any corporation, partnership or other business entity controlled by Developer or by the majority of the members or officers thereof or to any land trust of which Developer or other business entity controlled by Developer or the majority of the members or officers thereof is the beneficiary. For purposes of this Section, Developer shall not be deemed to be in control of another business entity unless Developer has an ownership interest in such business entity equal to or greater than 51%.

4.7 **Not Full Faith and Credit.** The obligations contained within this Agreement are not Full Faith and Credit obligations of the City.

DEVELOPER ACKNOWLEDGES THAT ANY AMOUNTS OF AVAILABLE TAX INCREMENT DUE UNDER THIS AGREEMENT TO DEVELOPER HERETO SHALL BE PAYABLE SOLELY FROM AVAILABLE TAX INCREMENT DEPOSITED INTO THE STAF. DEVELOPER FURTHER ACKNOWLEDGES THAT THE CITY'S OBLIGATIONS UNDER THE AGREEMENT SHALL CONSTITUTE LIMITED OBLIGATIONS OF THE CITY AND THAT SAID OBLIGATIONS DO NOT NOW AND SHALL NEVER CONSTITUTE A GENERAL INDEBTEDNESS OF THE CITY 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 CITY OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER.

4.8 **Enterprise Zone.** In the event the City forms an enterprise zone which encompasses the Property, the City shall provide Developer with any authorization and approval necessary to allow Developer to receive a sales tax deduction on building materials purchased for the Development Project.

SECTION V **COMPLIANCE WITH LAW**

5.1 **Defense of TIF District.** In the event that any court or governmental agency having jurisdiction over enforcement of the Act and the subject matter contemplated by this Agreement shall determine that this Agreement, or payments to be made hereunder are contrary to law, or in the event that the legitimacy of the Downtown and Southern Gateway Redevelopment Project Area and Plan is otherwise challenged before a court or governmental agency having jurisdiction thereof, the City and Developer shall reasonably cooperate with each other concerning an appropriate strategy acceptable to both parties to defend the integrity of the Downtown and Southern Gateway Redevelopment Project Area and Plan, and this Agreement. Furthermore, each party shall pay their respective legal fees, court costs and other expenses directly related to defense of the Downtown and Southern Gateway Redevelopment Project Area and Plan that each party shall incur as a result of defense of the Downtown and Southern Gateway Redevelopment Project Area and Plan. The City agrees to vigorously contest any such challenge, suit or determination as to the validity of this Agreement, the legitimacy or integrity of the Downtown and Southern Gateway Redevelopment Project Area and Plan, payments made under this Agreement or any

other term or provision of this Agreement. In the event of an adverse lower court or agency ruling, payments shall be suspended during the pendency of any appeal thereof, but such payments shall be reinstated retroactively if such adverse ruling is reversed by the reviewing court or agency. The City shall not seek to set aside, or otherwise challenge, its obligations under this Agreement while any appeal is pending.

5.2 **Use of Land.** Developer intends that the Property shall be utilized solely used as a sports bar.

5.3 **Compliance with Law.** Neither Developer nor any of its contractors, subcontractors or material suppliers shall discriminate based upon race, color, religion, sex, national origin or ancestry, age, handicap or disability, sexual orientation, military status, parental status or source of income in the construction of the Developer Project and shall comply with any and all applicable federal, state and local laws, statutes, ordinances or regulations with regard to non-discrimination in the construction of the Developer Project.

SECTION VI **INSURANCE DURING TERM OF AGREEMENT**

Prior to commencement of a portion or all of the Developer Project, the Developer shall procure, at the Developer's cost and expense, and shall maintain in full force and effect until each and every obligation of the Developer contained in this Agreement has been fully paid or performed, a policy or policies of general commercial comprehensive liability insurance and, during any period of construction, contractor's liability insurance and worker's compensation insurance, with liability coverage under each such policy to be not less than \$1,000,000 for each occurrence and including automobile insurance coverage. All such policies shall protect the Developer against any liability incidental to the use of or resulting from any claim for injury or damage occurring in or about the Developer Project or the improvements or the construction and improvement thereof. Developer agrees to defend, indemnify and hold harmless City for any liability other than that resulting in whole or in part from a negligent act or omission on the part of the City, its employees, agents or contractors.

SECTION VII **DEFAULT REMEDIES**

7.1 **Defaults/Remedies.** If, subject to paragraph 7.2, either Party shall default under this Agreement or fail to perform or keep any term or condition required to be performed or kept by such Party, such Party shall, upon written notice from the other party proceed to cure or remedy such default or breach within fifteen (15) days after receipt of such notice, provided, however, that in the event such default is incapable of being cured within said fifteen (15) day period and the defaulting party commences to cure the default within said fifteen (15) day period and proceeds with due diligence to cure the same, such party shall not be deemed to be in default under this

Agreement. In the case of a City default, the Developer shall have the remedy the right of specific performance in addition to any other remedy it may have at law or in equity. In the event of a default by Developer, the City will be under no obligation to continue Annual Developer Payments during the default period if such default is a material default and Developer is not promptly proceeding with the cure thereof. Provided the default by Developer is cured within a reasonable time, those Annual Developer Payments which would have been paid, if not for Developer default, will then be paid to Developer.

7.2 **Event of Default.** For purposes of the Agreement, the occurrence of any one or more of the following shall constitute an “Event of Default”:

A. If, at any time, any material term, warranty, representation or statement made or furnished by City or Developer (including the representations and warranties of Developer and City described in subsection 2.1 hereof) is not true and correct in any material respect because of which either Party is unable to fulfill its obligations hereunder; or

B. Failure by Developer or City to meet any of the conditions or covenants contained in this Agreement; or

C. If any petition is filed by or against City or Developer under the Federal Bankruptcy Code or any similar state or federal law, whether now or hereinafter existing (and in the case of involuntary proceedings, failure to cause the same to be vacated, stayed or set aside within ninety (90) days after filing); or

D. Any assignment, pledge, encumbrance, transfer or other disposition which is prohibited under this Agreement.

E. If any mortgage foreclosure action is filed against the Developer.

7.3 **Waiver and Estoppel.** Any delay by City or Developer in instituting or prosecuting any actions or proceedings or otherwise asserting its rights shall not operate as a waiver of such rights or operate to deprive City or Developer of or limit such rights in any way. No waiver made by City or Developer with respect to any specific default shall be construed, considered or treated as a waiver of the rights of City or Developer with respect to any other defaults.

SECTION VIII **PERFORMANCE**

8.1 **Time of the Essence.** Time is of the essence of the Agreement.

8.2 **Permitted Delays.** Neither City nor Developer shall be considered in breach of its obligations with respect to the commencement and completion of the Developer Project or provision of tax increment financing, because of the impossibility of performance or the limitations of Illinois law, or in the event of delay in the performance of such obligations due to unforeseeable

causes beyond such Party's control and without such Party's fault or negligence, including any delays or due to court order, acts of God, acts of the public enemy, acts of the United States, acts of the other party, fires, floods, earthquakes, epidemics, quarantine restrictions, strikes, embargoes, economic exigencies, shortages of labor or materials and severe weather or delays of subcontractors due to such causes. The time for the performance of the obligations shall be extended for the period of the enforced delay if City or Developer, as the case may be, seeking the extension shall notify in writing the other within twenty (20) days after the beginning or any such delay and shall use diligence in attempting to complete performance of its obligations.

SECTION IX **GENERAL**

9.1 **Drafter Bias.** The parties acknowledge and agree that the terms of this Agreement are the result of on-going and extensive negotiations between the parties, both of whom are represented by independent counsel and that this Agreement is a compilation of said negotiations. As a result, in the event that a court is asked to interpret any portion of this contract, neither of the parties shall be deemed the drafter hereof and neither shall be given benefit of such presumption that may be set out by law.

9.2 **Partnership not intended nor Created.** Nothing in this Agreement is intended nor shall be deemed to constitute a partnership or joint venture between the Parties.

9.3 **Entirety and Binding Effect.** This document represents the entirety of the agreement between the Parties and shall be binding upon them and inure to the benefit of and be enforceable by and against their respective successors, personal representatives, heirs, legatees, and assigns.

9.4 **Survival of Provisions.** If any of the provisions of this agreement are found to be invalid pursuant to any statute or rule of law of the State of Illinois or of any judicial district in which it may be so brought to be enforced, then such provisions shall be deemed null and void to the extent that they may conflict herewith, however the remainder of this instrument and any other application of such provision shall not be affected thereby.

9.5 **Use of Headings.** The clause headings appearing in this Agreement have been inserted for the purpose of convenience and ready reference. They do not purport to, and shall not be deemed to, define, limit or extend the scope or intent of the clauses to which they pertain.

9.6 **Amendments and Modifications.** Except as otherwise provided for herein, this Agreement may not be amended, modified, or terminated, nor may any obligation hereunder be waived orally, and no such amendment, modification, termination, or waiver shall be effective for any purpose unless it is in writing, and bears the signatures of all of the Parties hereto.

9.7 **Defaults.** In the event of a default and/or litigation arising out of enforcement of this Agreement, the parties hereto acknowledge and agree that each party shall be responsible for their own costs, charges, expenses, and their reasonable attorney's fees arising as a result thereof.

9.8 **Notices.** All Notices and requests pursuant to this Agreement shall be sent as follows:

To the Developer: **Name**
 KC and SC LLC
 417 Cherry
 Rochelle, IL 61068

To the City: City of Rochelle
 420 North 6th Street
 Rochelle, IL 61068
 Attn: City Manager

With copies to: Dominick Lanzito
 Peterson, Johnson, and Murray, LLC
 200 W. Adams, Suite 2125
 Chicago, IL 60606

Or at such other addresses as the Parties may indicate in writing to the other either by personal delivery, courier or by certified mail, return receipt requested, with proof of delivery thereof. Mailed Notices shall be deemed effective on the third day after mailing; all other notices shall be effective when delivered.

9.9 **Counterparts.** This Agreement may be signed in any number of counterparts, each of which shall be an original, with the main effect as if the signatures thereto and hereto were upon the same instrument.

9.10 **Previous Agreements.** The foregoing is the agreement between the Parties hereto as it now exists at the execution hereof and it is expressly understood, agreed and distinctly acknowledged that all previous communications and negotiation between the Parties, either written or oral, that are not contained herein are hereby withdrawn, nullified, and void.

[SIGNATURE PAGE TO FOLLOW]

IN WITNESS WHEREOF, THE PARTIES HERETO HAVE VOLUNTARILY SET THEIR HANDS AND SEALS ON THIS AGREEMENT, AND BY DOING SO HAVE ACKNOWLEDGED THAT THEY HAVE READ THE FOREGOING INSTRUMENT IN ITS ENTIRETY AND ACKNOWLEDGE THAT THE SAME IS A LEGALLY BINDING AGREEMENT, AND THAT THEY HAVE CONSCIOUSLY EXECUTED THE SAME AS THEIR OWN FREE AND VOLUNTARY ACT AND DO HEREBY SUBMIT TO AND ACKNOWLEDGE THE TERMS AND CONDITIONS HEREIN.

KC and SE, LLC,
an Illinois liability company

CITY OF ROCHELLE,
an Illinois municipal corporation

Name

City Manager Jeffrey A. Fiegenschuh

Name

Attest: _____
Clerk Rose Huéramo

EXHIBIT A – Legal Description of Property

West Half (1/2) of Lot Nine (9) in Block Thirteen (13) and 2 feet off the West line of the East Half (1/2) of Lot Nine (9) in Block Thirteen (13) in the Original Town of Lane, now the City of Rochelle; situated in the Township of Flagg, County of Ogle and State of Illinois.

EXHIBIT B – Map of Property



EXHIBIT C - Developer Estimate

STATE OF ILLINOIS)
)
COUNTY OF OGLE) SS.

CERTIFICATE

I, Rose Hueramo, City Clerk of the City of Rochelle, County of Ogle and State of Illinois, DO HEREBY CERTIFY that the foregoing is a true and correct copy of Resolution No. _____, “RESOLUTION AUTHORIZING A REDEVELOPMENT AGREEMENT WITH KC AND SC, LLC, FOR 417 CHERRY” which was adopted by the Mayor and City Council of the City of Rochelle on December ____, 2023.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the City of Rochelle this ____ day of December, 2023.

CITY CLERK