
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: WALTER MAGDZIARZ, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: ORDINANCE: TIF REDEVELOPMENT AGREEMENT
20 S. DUGAN ROAD (METRONET)
AGENDA: OCTOBER 6, 2020 VILLAGE BOARD MEETING
DATE: OCTOBER 2, 2020

ISSUE

Shall the Village Board approve an Ordinance authorizing execution of a TIF Redevelopment Agreement for Metronet's property improvements at 20 S. Dugan Road.

DISCUSSION

The Village Board last discussed this matter at its September 15, 2020 meeting and directed Village staff to prepare the necessary documents to extend TIF benefits to MetroNet.

The Ordinance authorizes execution of the TIF Redevelopment Agreement which is a required for expenditure to TIF funds to a private party. The TIF Redevelopment Agreement is attached as an exhibit to the Ordinance.

The purpose of the TIF Redevelopment Agreement is to demonstrate the use of TIF funds complies with the TIF Act. The Agreement itself follows the format established by the TIF Act. The Redevelopment Agreement establishes that the TIF district was duly established; the property in question is located in the TIF district; the proposed improvements are TIF eligible improvements; the terms and process for release of the funds; and, the amount of TIF funds to be applied to the property in question.

MetroNet intends to construct a material storage yard for the fiber optic cable reels that have populated a number of properties up and down Heartland Drive. One of the problems with these reels is they damage and destroy asphalt from their weight being concentrated on the edges of the reels. MetroNet initially inquired whether the Village would permit gravel as a surface for the storage yard. We do not permit a gravel surface and suggested to MetroNet paving their proposed storage yard but strategically place concrete strips where the weight of the cable reels will rest, similar to a truck court at a warehouse.

The funding amount requested is \$59,562.60. This amount represents the cost of the upgraded hard surface for the outdoor storage area MetroNet intends to add to the property to support their operations.

Given the amount of the funding request, the Village will reimburse MetroNet with a lump sum payment upon completion of the specified improvements. There are funds in the TIF #1 account to fund the request.

MetroNet is the contract purchaser and the Agreement becomes effective only if MetroNet owns the property.

By approving the Ordinance, the Village Board approves the TIF Redevelopment Agreement which permits the use of TIF funds for the improvements on MetroNet's property.

ATTACHMENTS

- Ordinance Authorizing Execution of A TIF Redevelopment Agreement (MetroNet, 20 S. Dugan Road)

COSTS

There is no direct cost to the Village to approve the Ordinance.

RECOMMENDATION

That the Village Board approve an Ordinance Authorizing Execution of A TIF Redevelopment Agreement (MetroNet, 20 S. Dugan Road), subject to Attorney review.



**VILLAGE OF SUGAR GROVE
KANE COUNTY, ILLINOIS**

ORDINANCE NO. 2020-1006B

**AN ORDINANCE AUTHORIZING EXECUTION OF A
TAX INCREMENT FINANCE DISTRICT REDEVELOPMENT AGREEMENT
(METRONET, 20 S. DUGAN ROAD)**

Adopted by the Board of Trustees and President of the Village of Sugar Grove
this 6th day of October 2020

Published in pamphlet form by authority of the Board of Trustees of the Village of Sugar Grove
this 6th day of October 2020

VILLAGE OF SUGAR GROVE

ORDINANCE NO. 2020-1006B

**AN ORDINANCE AUTHORIZING EXECUTION OF AN
TAX INCREMENT FINANCE DISTRICT REDEVELOPMENT AGREEMENT
(METRONET, 20 S. DUGAN ROAD)**

WHEREAS, the Village of Sugar Grove is not a home rule municipality within Article VII, Section 6A of the Illinois Constitution and, pursuant to the powers granted to it under 65 ILCS 5/1-8 *et seq.*; and,

WHEREAS, by Ordinance No. 2012-0117A adopted by the President and Board of Trustees (the “corporate authorities”) of the Village of Sugar Grove, Kane County, Illinois (the “Village”) on January 17, 2012, a Tax Increment and Financing Redevelopment Project and Plan (hereinafter the “Redevelopment Plan”) was approved, which Redevelopment Plan covered an area of approximately 2.64 acres commonly known as 20 S. Dugan Road, improved with a vacant industrial building of approximately 10,800 square feet (the “Subject Property”); and

WHEREAS, by Ordinance No. 2012-0117B and No. 2012-0117C, respectively, adopted by the Corporate Authorities on January 17, 2012, the Village designated the Subject Property as a “redevelopment project area” and adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-4-1 *et seq.*) (hereinafter referred to as the “Act”); and,

WHEREAS, Pursuant to the Illinois Municipal Code, 65 ILCS 5/1-1-1, *et seq.* (the “Code”), as from time to time amended, the Corporate Authorities are empowered to enter into economic incentive agreements or redevelopment agreements relating to the development or redevelopment of land within the Village’s corporate limits; and,

WHEREAS, MetroNet, Inc., a Delaware limited liability company (the “Developer”), has advised the Village that it has entered into an agreement to purchase the Subject Property and intends to add an outdoor storage yard to the premises for the purpose of storing supplies and materials used in the construction and improvement of the Developer’s telecommunications business; and,

WHEREAS, the Developer has demonstrated to the Village that it has knowledge, experience and expertise in the operation of utility construction offices and construction yards; however, in the case of the Subject Property, it has advised the Village that due to the extraordinary cost required to develop a storage yard surface to support Developer’s materials and comply with Village’s requirements including extensive site preparation, the Developer is unable to proceed with the redevelopment of the Subject Property without financial assistance from the Village; and,

WHEREAS, the Village recognizes that the redevelopment of the Subject Property is of vital importance to the Village given its strategic location at a prime intersection of the Village’s westside industrial corridor and therefore is prepared to utilize the economic incentives available pursuant to the Act in order to induce the Developer to incur extraordinary costs to create an outdoor storage ayrd to serve its business, to serve the community, to provide job opportunities and increase its tax base.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, as follows:

SECTION ONE: REDEVELOPMENT AGREEMENT

That the Redevelopment Agreement of 20 S. Dugan Road, Sugar Grove Illinois, attached hereto as Exhibit A be and it is hereby approved and the Village President and Clerk are hereby authorized and directed to execute and deliver said agreement on behalf of the Village of Sugar Grove.

SECTION TWO: IMPLEMENTATION

That the Village President and Clerk are hereby authorized and directed to undertake any and all actions as may be required to implement the terms of said Agreement.

SECTION THREE: GENERAL PROVISIONS

REPEALER: All ordinances or portions thereof in conflict with this annexation ordinance are hereby repealed.

SEVERABILITY: Should any provision of this ordinance be declared invalid by a court of competent jurisdiction, the remaining provisions will remain in full force and effect the same as if the invalid provision had not been a part of this ordinance.

EFFECTIVE DATE: This ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

PASSED AND APPROVED by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, this 6th day of October 2020.

ATTEST:

P. Sean Michels,
President of the Board of Trustees

Alison Murphy,
Village Clerk

	Aye	Nay	Absent	Abstain
Trustee Sean Herron	___	___	___	___
Trustee Ted Koch	___	___	___	___
Trustee Jen Konen	___	___	___	___
Trustee Heidi Lendi	___	___	___	___
Trustee Rick Montalto	___	___	___	___
Trustee Ryan Walter	___	___	___	___

Exhibit A

TAX INCREMENT FINANCING DISTRICT
REDEVELOPMENT AGREEMENT

by and between

VILLAGE OF SUGAR GROVE, KANE COUNTY, ILLINOIS
and
METRONET, INC., a limited liability company

SUGAR GROVE TIF #1 DISTRICT

October 6,2020

**REDEVELOPMENT AGREEMENT BETWEEN
VILLAGE OF SUGAR GROVE
and
METRONET, Inc.
(SUGAR GROVE TIF #1 DISTRICT)**

THIS AGREEMENT (including Exhibits) is entered into this ___day of October 2020, by and between the VILLAGE OF SUGAR GROVE ("Village"), an Illinois Municipal Corporation, Kane County, and METRONET, INC., a limited liability company ("Developer"), licensed to do business in Illinois.

PREAMBLE

WHEREAS, the Village has the authority to promote the health, safety and welfare of the Village 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 Village and providing employment for its citizens; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et seq.*, as amended (the "Act"), the Village has the authority to provide incentives to owners or prospective owners of real property to acquire, redevelop, rehabilitate and/or upgrade such property by reimbursing such owner(s) for certain costs incurred in connection with the acquisition, redevelopment, rehab and/or upgrades from increases in real estate tax revenues ("Tax Increment") resulting therefrom or from other Village revenues to the extent specified and agreed herein: and

WHEREAS, the Village has established the Sugar Grove TIF #1 District (a/k/a and hereinafter referred to as the "Redevelopment Project Area"), pursuant to the Act by approving a Tax Increment Financing Plan and Projects, designating a Redevelopment Project Area, and adopting Tax Increment Financing; and

WHEREAS, one such property in the proposed Redevelopment Project Area, is property under contract by Developer, which property is commonly known as 20 S. Dugan Road, Sugar Grove, Illinois (the "Property") and legally described on Exhibit "A" attached hereto; and

WHEREAS, the Developer is the contract purchaser and desires to rehabilitate and improve the Property to provide for the operation of a utility construction office and yard including the storage of telecommunications equipment on and from the Property (the "Use") and has done so based upon

the expected availability of TIF incentives offered by the Village (the "Developer's Redevelopment Project"); and

WHEREAS, it is the intent of the Village to encourage economic development which will increase the real estate tax base of the Village, which increased tax base will be used, in part, to finance incentives to assist development within the Redevelopment Project Area; and

WHEREAS, the Developer's Redevelopment Project is consistent with the Sugar Grove TIF #1 Redevelopment Plan and Projects for the Redevelopment Project Area (the "Redevelopment Plan") and further conforms to the current land uses of the Village as of the date of this Agreement; and

WHEREAS, pursuant to Section 5/11-74.4-4 (b) of the Act, the Village 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 Project Area; and

WHEREAS, pursuant to Section 5/11-74.4-4 (j) of the Act, the Village 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 "B" of this Predevelopment Agreement; and

WHEREAS, the Developer has requested and, as a condition to acquiring and performing those certain property improvements to the Property that are contemplated in connection with the Developer's Redevelopment Project, requires, that incentives for the Developer's Redevelopment Project be provided by the Village (attached hereto in Exhibit "C"); and

WHEREAS, the Village determined that the Developer's Redevelopment Project requires the incentives set forth herein and the Developer's Redevelopment Project will, as a part of the Redevelopment Project Area, promote the health, safety and welfare of the Village and its citizens by attracting private investment to prevent blight and deterioration and to provide employment for its citizens and generally to enhance the economy of the Village; and

WHEREAS, the Village has reviewed the conditions of the Property and has reason to believe that the costs of the necessary public and private improvements, including but not limited to land acquisition, site preparation costs, public infrastructure improvements, and other public and private costs to be incurred by the Developer in furtherance of the Project are eligible projects costs under the Act and are consistent with the expected Development Plan of the Village; and

WHEREAS, Illinois statute (65 ILCS 5/8-1-2-5) allows a municipality to appropriate and expend funds for economic development purposes, including, without limitation for commercial

enterprises that are deemed necessary or desirable for the promotion of economic development within the community; and

WHEREAS, Developer's project is desirable for economic development in the Village; and

WHEREAS, the parties have agreed to reimburse to Developer a sum not to exceed Fifty-Nine Thousand Five Hundred Sixty-Two and 60/100 Dollars (\$59,562.60) subject to the terms stated herein from that certain fund created by the Village pursuant to the Act (hereinafter the "Special Tax Allocation Fund") the Developer's Estimated TIF Eligible Project Costs as identified on Exhibit "B" attached hereto; and

WHEREAS, in consideration of the execution of this Agreement, the Developer will, subject to the terms of this Agreement, complete and operate the Project for the Use.

WHEREAS, this Agreement has been submitted to the President and Board of Trustees of the Village (collectively, the "Corporate Authorities") for consideration and review, the Corporate Authorities have taken all actions required to be taken prior to the execution of this Agreement in order to make the same binding upon the Village according to the terms hereof, and any and all actions of the Corporate Authorities of the Village precedent to the execution of this Agreement have been undertaken and performed in the manner required by law.

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

A. STATEMENTS AND INCENTIVES

1. The Village represents that the matters set forth in the recitals above are true and correct and are incorporated into this Agreement.
2. The parties acknowledge and agree that (a) the Property is located at 20 S. Dugan Road, Sugar Grove, Illinois, and has been assigned PIN No. 14-19-101-006; (b) the Developer is the contract purchaser of the Property and has agreed to improve the property conditioned upon the availability of TIF incentives provided by the Village; (c) the Developer requested that TIF incentives for the Redevelopment Project be provided by the Village from incremental increases in real estate taxes of the Village generated from the Redevelopment Project, and the Village has agreed to such TIF incentives; (d) the Village has agreed to reimburse the Developer a sum not to exceed \$59,562.60 from the Special Tax Allocation Fund for Developer's Estimated TIF Eligible Projects Costs.
3. 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.
4. Provided that the terms of this Agreement are materially complied with, the Village agrees to reimburse Developer for Developer's Estimated TIF Eligible Project Costs as more specifically set forth

in this Agreement based upon the Developer's representations herein and completion of the Developer's Redevelopment Project as set forth in this Agreement.

5. Each of the parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

B. ADOPTION OF TAX INCREMENT FINANCING

The Village has created a Tax Increment Financing District known as the "Sugar Grove TIF #1 District" which includes the Property, and has approved certain Redevelopment Project Costs, including those set forth in Exhibit "B", for the Developer's Redevelopment Project. The Village agrees that it will not revoke or amend the Redevelopment Project Area or any of the ordinances adopted by the Village relating to the Redevelopment Project Area, the Developer's Redevelopment Project or this Agreement if such revocation or amendment would prevent or materially impair the development of the Developer's Redevelopment Project by Developer or interfere with the reimbursement by the Village of the Developer's Estimated TIF Eligible Project Costs in accordance with this Agreement.

C. INCENTIVES

In consideration for the Developer purchasing the Property and in anticipation of completion of the Developer's Redevelopment Project, the Village agrees to extend to Developer the following incentives to assist Developer's completion of the Developer's Redevelopment Project: reimbursement of \$59,562.60 for asphalt surface and concrete pads in the proposed outdoor storage yard upon completion of the storage yard improvements, and acquisition of the Property.

D. LIMITATION OF INCENTIVES TO DEVELOPER

1. The Developer shall not be entitled to any other reimbursement by the Village for other Eligible Project Costs beyond the maximum reimbursement of \$59,000.00 set forth herein.

2. The Village is not obligated to use any of its proportionate share (i.e., the balance of increment available after the reimbursement of Developer as required by the terms stated herein) of the monies for any of Developer's Eligible Project Costs but, rather, the Village shall use its sums for any purpose under the Act as it may in its sole discretion determine.

E. PAYMENT OF ELIGIBLE PROJECT COSTS

1. Payment to the Developer for Eligible Project Costs as set forth by the Act shall be made by a Requisition for Payment of Private Development Redevelopment Costs ("Requisition") submitted from time to time by Developer to the Village's TIF Administrator, Brent Eichelberger,

with a copy to Matt Anastasia (collectively the "TIF Administrator"), and subject to the TIF Administrator's approval of the costs. Developer may submit verification of costs and request reimbursement at one time, or as Eligible Project Costs, as listed on Exhibit "B", are incurred.

2. All Requisitions must be accompanied by verified bills or statements of suppliers, contractors, or professionals together with mechanic's lien waivers (whether partial or full) from each of the parties entitled to a payment that is the subject of the Requisition as required by the Village.

3. The Developer shall use such sums as reimbursement for eligible expenses only to the extent permitted by law and the Act and may allocate such funds for any purpose during the term of this Agreement or the term of the Redevelopment Project Area whichever is longer.

4. The TIF Administrator shall approve or disapprove a Requisition by written receipt to the Developer within thirty (30) business days after receipt of the Requisition. Approval of the Requisition will not be unreasonably withheld. If a Requisition is disapproved by the TIF Administrator, the reasons for disapproval will be set forth in writing and the Developer may resubmit the Requisition with such additional information as maybe reasonably required and the same procedures set forth herein shall apply to such re-submittals. If the TIF Administrator does not disapprove the Requisition with such thirty (30) day period, the Requisition shall be deemed approved.

5. All Eligible Project Costs approved shall then be paid by the Village from the Special Account to the Developer, or to others as directed by Developer, pursuant to the Redevelopment Plan and as allowed by Illinois law. Village shall pay such approved eligible costs in a lump sum, provided the Developer has satisfied the terms of this Agreement. Payment shall be made within thirty (30) days after approval subject to the terms of this Agreement.

6. The Parties acknowledge that the determination of Eligible Project Costs, and, therefore, qualification for reimbursement hereunder, are subject to changes or interpretation made by amendments to the Act, administrative rules or judicial interpretation during the term of this Agreement. The Village has no obligation to the Developer to attempt to modify those decisions but will assist the Developer in every respect as to obtaining approval of Eligible Project Costs.

F. VERIFICATION OF TAX INCREMENT

1. It shall be the sole responsibility of the Developer or its designee to provide to the Village, as requested in writing, copies of all PAID real estate tax bills, annually, for the Property.

2. The failure of Developer to provide any information required herein after written notice from the Village, and the continued failure to provide such information within thirty (30) days after such notice, shall be considered a material breach of this Agreement and shall be cause for the Village to deny payments hereunder to the Developer, which payments are conditional upon receipt of the foregoing information.

G. LIMITED OBLIGATION

The Village's obligation hereunder to pay Developer for Eligible Project Costs is a limited obligation to be paid solely from the Special Tax Allocation Fund. Said obligation does not now and shall never constitute an indebtedness of the Village 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 Village or a charge or lien against the Village's general credit or taxing power.

H. VILLAGE PUBLIC PROJECTS

The Village intends to use part or all of the Village's share of the Developer's Redevelopment Project real estate tax increment for other public projects within the Redevelopment Project Area. The Village shall be eligible for reimbursement of the costs of doing so, as well as other eligible costs incurred by the Village of the TIF District.

I. LIMITED LIABILITY OF VILLAGE TO OTHERS FOR DEVELOPER'S EXPENSES

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

J. COOPERATION OF THE PARTIES

1. The Village 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 Village 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 Village's activities. This also includes without limitation the Developer assisting or sponsoring the Village, or agreeing to jointly apply with

the Village, for any grant, award, or subsidy which may be available as the result of the Village's or 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 Village'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, and rights-of-way, water and sanitary sewage facilities, and storm water disposal facilities.

K. 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"), shall have an action for damages, or, in the event damages would not fairly compensate the Non-defaulting Party 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 Defaulting Party hereunder shall be limited to the real estate tax increment payable 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, a Defaulting Party 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.

L. TIME; FORCE MAJEURE

For this Agreement, time is of the essence; provided, however, Developer and Village shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if Developer or Village fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, civil disorder, inability to procure materials, weather conditions, wet soil conditions, failure or interruptions of power, condemnation, riots, insurrections, war, fuel shortages, Acts of God, acts caused directly or indirectly by the Village (or Village's agents, employees or invitees) when applicable to Developer or third parties, or any other cause beyond the reasonable control of Developer or Village.

M. 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 Village and Village's consent is obtained prior to such assignment. Further, no such assignment shall be deemed to release the assignor of its obligations to the Village under this Agreement unless the consent of the Village to the release of the assignor's obligations is first obtained and the nature of the Developer's Redevelopment Project shall not be substantially changed.

N. 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.

O. 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.

P. 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 VILLAGE:

TIF Administrator, Brent Eichelberger
Village of Sugar Grove
10 S. Municipal Drive
Sugar Grove, IL 60554
Telephone: (630) 391-7200
Fax: (630) 391-72

With Copy To:

Matt Anastasia, Finance Director
Village of Sugar Grove
10 S. Municipal Drive
Sugar Grove, IL 60554
Telephone: (630) 391-7210
Fax: (630) 391-72

TO DEVELOPER:

Lohn Weber
MetroNet, Inc.
8837 Bond Street
Overland Park, KS 66214
Telephone: (913) 794-3128
Fax:

With Copy To:

Connie Schidler
MetroNet, Inc.
8837 Bond Street
Overland Park, KS 66214
Telephone: (913) 794-3113
Fax:

Q. SUCCESSORS IN INTEREST

Subject to the provisions of Paragraph M, above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

R. 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.

S. TERM OF THE AGREEMENTS

This Agreement shall expire upon the expiration of the Redevelopment Plan adopted by the Village, including any legislative extensions, or sooner if the Developer has received all incentives included herein.

T. 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.

U. INDEMNIFICATION OF VILLAGE

Developer acknowledges that it is responsible for compliance with the Illinois Prevailing Wage Act, to the extent such is applicable. Applicability is to be determined by Developer and Developer shall indemnify and hold harmless the Village, and all Village 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. 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 Village, including but not limited to the reasonable attorney fees of Village.

(Remainder of this Page Intentionally Left Blank.)

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

VILLAGE OF SUGAR GROVE

an Illinois Municipal Corporation

BY: _____

Village President

ATTEST:

BY: _____

Village Clerk

DEVELOPER: Metronet, Inc.

a limited liability company

BY: _____

ATTEST:

BY: _____

EXHIBIT A

Legal Description

Lot 4 in Sugar Grove Industrial Park Unit No. 1, Sugar Grove, Kane County, Illinois, in the Village of Sugar Grove.

EXHIBIT B

SUMMARY OF ESTIMATED TIF ELIGIBLE PROJECT COSTS

<u>QUANTITY</u>	<u>UNIT</u>	<u>DESCRIPTION</u>	<u>UNIT PRICE</u>	<u>TOTAL</u>
21,532	SQFT	Place 4" asphalt pavement (2" binder 2" surface)	\$1.80	\$38,757.60
2,190	SQFT	Place 8" concrete pads with 6 X 6 WWF	\$9.50	<u>\$20,805.00</u>
				\$59,562.60

EXHIBIT C

REQUEST FOR FINANCIAL INCENTIVE

September 14, 2020

VIA email only to the Village of Sugar Grove, IL
c/o Walter Magdziarz, wmagdziarz@sugargroveil.gov

Re: TIF Benefits for 20 S. Dugan, Sugar Grove, IL

Dear Mr. Magdziarz,

As you are aware, MetroNet is considering the purchase of the warehouse at 20 S. Dugan Road, Sugar Grove, IL. We are currently under contract with the trust of Gary and Judith Hattersley to purchase the referenced property and desire to do so.

One of the contract contingencies is MetroNet's confirmation with Sugar Grove that the Property is able to be used for our intended use and purposes. It is our understanding that Sugar Grove is requiring a significant upgrade to the storage yard, over our typical practices, requiring a concrete rather than a gravel yard. The upgrade carries a significant expense that was not contemplated in the purchase price and receiving financial assistance from Sugar Grove to provide an upgraded storage yard area will be necessary for the purchase to go forward.

It is our desire to put this property back into productive use for tax purposes but again, we cannot go forward without this financial commitment from Sugar Grove. Please note, this is MetroNet's formal request for TIF financial assistance to complete the purchase.

Should you have any comments or questions please contact Constance Shidler in our legal department. Connie.shidler@metronetinc.com, 913.794.3113.

Sincerely,

Lohn H. Weber
Lohn H. Weber (Sep 14, 2020 15:01 CDT)

Lohn Weber
Chief Financial Officer

LW:CS:jl