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LOCAL GOVERNMENT DIVISION ANNUAL TAX INCREMENT FINANCIAL REPORT

STATE OF ILLINOIS
COMPTROLLER

LESLIE GEISSLER MUNGER

Municipality TIF Administrator

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Fiscal Year 2015

TIF Districts

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Municipality: Palatine Village (016/430/32)	
Select TIF District:	<input type="text"/>
File Location:	<input type="text"/> <input type="button" value="Browse..."/>
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STATE OF ILLINOIS
COMPTROLLER
LESLIE GEISSLER MUNGER

Name of Municipality:	<u>Village of Palatine</u>	Reporting Fiscal Year:	2015
County:	<u>Cook</u>	Fiscal Year End:	12/31/2015
Unit Code:	016/430/32		

TIF Administrator Contact Information

First Name:	Reid	Last Name:	Ottesen
Address:	200 E Wood St	Title:	Village Manager
Telephone:	(847) 359-9031	City:	Palatine
		Zip:	60067
Mobile		E-mail-required	findept@palatine.il.us
Mobile Provider		Best way to contact	<input checked="" type="checkbox"/> X Email <input type="checkbox"/> Mobile
			<input type="checkbox"/> Phone <input type="checkbox"/> Mail

I attest to the best of my knowledge, this report of the redevelopment project areas in: City/Village of _____

is complete and accurate at the end of this reporting Fiscal year under the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] Or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

R. J. Ott

06/22/2016

Written signature of TIF Administrator

Date _____

Section 1 (65 ILCS 5/11-74.4-5 (d) (1.5) and 65 ILCS 5/11-74.6-22 (d) (1.5)*)

[illegible]

*All statutory citations refer to one of two sections of the Illinois Municipal Code: the Tax Increment Allocation Redevelopment Act [65 ILCS 5/11-74.4-3 et. seq.] or the Industrial Jobs Recovery Law [65 ILCS 5/11-74.6-10 et. seq.]

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]

FY 2015

Name of Redevelopment Project Area:	Rand Rd Corridor TIF
Primary Use of Redevelopment Project Area*:	Retail
If "Combination/Mixed" List Component Types:	
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one):	
Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/> Industrial Jobs Recovery Law <input type="checkbox"/>	

	No	Yes
Were there any amendments to the redevelopment plan, the redevelopment project area, or the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (1) and 5/11-74.6-22 (d) (1)] If yes, please enclose the amendment labeled Attachment A	X	
Certification of the Chief Executive Officer of the municipality that the municipality has complied with all of the requirements of the Act during the preceding fiscal year. [65 ILCS 5/11-74.4-5 (d) (3) and 5/11-74.6-22 (d) (3)] Please enclose the CEO Certification labeled Attachment B		X
Opinion of legal counsel that municipality is in compliance with the Act. [65 ILCS 5/11-74.4-5 (d) (4) and 5/11-74.6-22 (d) (4)] Please enclose the Legal Counsel Opinion labeled Attachment C		X
Were there any activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken? [65 ILCS 5/11-74.4-5 (d) (7) (A and B) and 5/11-74.6-22 (d) (7) (A and B)] If yes, please enclose the Activities Statement labeled Attachment D		X
Were any agreements entered into by the municipality with regard to the disposition or redevelopment of any property within the redevelopment project area or the area within the State Sales Tax Boundary? [65 ILCS 5/11-74.4-5 (d) (7) (C) and 5/11-74.6-22 (d) (7) (C)] If yes, please enclose the Agreement(s) labeled Attachment E		X
Is there additional information on the use of all funds received under this Division and steps taken by the municipality to achieve the objectives of the redevelopment plan? [65 ILCS 5/11-74.4-5 (d) (7) (D) and 5/11-74.6-22 (d) (7) (D)] If yes, please enclose the Additional Information labeled Attachment F	X	
Did the municipality's TIF advisors or consultants enter into contracts with entities or persons that have received or are receiving payments financed by tax increment revenues produced by the same TIF? [65 ILCS 5/11-74.4-5 (d) (7) (E) and 5/11-74.6-22 (d) (7) (E)] If yes, please enclose the contract(s) or description of the contract(s) labeled Attachment G	X	
Were there any reports or meeting minutes submitted to the municipality by the joint review board? [65 ILCS 5/11-74.4-5 (d) (7) (F) and 5/11-74.6-22 (d) (7) (F)] If yes, please enclose the Joint Review Board Report labeled Attachment H		X
Were any obligations issued by municipality? [65 ILCS 5/11-74.4-5 (d) (8) (A) and 5/11-74.6-22 (d) (8) (A)] If yes, please enclose the Official Statement labeled Attachment I	X	
Was analysis prepared by a financial advisor or underwriter setting forth the nature and term of obligation and projected debt service including required reserves and debt coverage? [65 ILCS 5/11-74.4-5 (d) (8) (B) and 5/11-74.6-22 (d) (8) (B)] If yes, please enclose the Analysis labeled Attachment J	X	
Cumulatively, have deposits from any source equal or greater than \$100,000 been made into the special tax allocation fund? 65 ILCS 5/11-74.4-5 (d) (2) and 5/11-74.6-22 (d) (2) If yes, please enclose Audited financial statements of the special tax allocation fund labeled Attachment K		X
Cumulatively, have deposits of incremental taxes revenue equal to or greater than \$100,000 been made into the special tax allocation fund? [65 ILCS 5/11-74.4-5 (d) (9) and 5/11-74.6-22 (d) (9)] If yes, please enclose a certified letter statement reviewing compliance with the Act labeled Attachment L		X
A list of all intergovernmental agreements in effect in FY 2010, to which the municipality is a part, and an accounting of any money transferred or received by the municipality during that fiscal year pursuant to those intergovernmental agreements. [65 ILCS 5/11-74.4-5 (d) (10)] If yes, please enclose list only of the intergovernmental agreements labeled Attachment M	X	

* Types include: Central Business District, Retail, Other Commercial, Industrial, Residential, and Combination/Mixed.

SECTION 3.1 - (65 ILCS 5/11-74.4-5 (d) (5) and 65 ILCS 5/11-74.6-22 (d) (5))

Provide an analysis of the special tax allocation fund.

FY 2015

TIF NAME: Rand Rd Corridor TIF

Fund Balance at Beginning of Reporting Period

\$ 8,644,475

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	\$ 1,930,177	\$ 31,070,108	46%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 329	\$ 361,607	1%
Land/Building Sale Proceeds		\$ 213,935	0%
Bond Proceeds		\$ 33,015,460	49%
Transfers from Municipal Sources	\$ 750,000	\$ 2,989,452	4%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

*must be completed where current or prior year(s) have reported funds

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period

\$ 2,680,506

Cumulative Total Revenues/Cash Receipts

\$ 67,650,562 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2)

\$ 5,961,858

Distribution of Surplus

\$ -

Total Expenditures/Disbursements

\$ 5,961,858

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS

\$ (3,281,352)

FUND BALANCE, END OF REPORTING PERIOD*

\$ 5,363,123

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

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3)

\$ (9,016,877)

FY 2015

TIF NAME: Rand Rd Corridor TIF

ITEMIZED LIST OF ALL EXPENDITURES FROM THE SPECIAL TAX ALLOCATION FUND
(by category of permissible redevelopment cost, amounts expended during reporting period)

FOR AMOUNTS >\$10,000 SECTION 3.2 B MUST BE COMPLETED

[illegible]

SECTION 3.2 A		
PAGE 3		
14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 5,961,858

FY 2015

TIF NAME: Rand Rd Corridor TIF

List all vendors, including other municipal funds, that were paid in excess of \$10,000 during the current reporting year.

_____ There were no vendors, including other municipal funds, paid in excess of \$10,000 during the current reporting period.

[illegible]

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

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

FY 2015

TIF NAME: Rand Rd Corridor TIF

FUND BALANCE, END OF REPORTING PERIOD

\$ 5,363,123

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
General Obligation Bonds, Series 2007C	\$ 1,215,000	\$ 615,000
General Obligation Taxable Bonds, Series 2007D	\$ 9,885,000	\$ 7,050,000
General Obligation Taxable Refunding Bonds, Series 2014B	\$ 7,265,000	\$ 6,715,000

Total Amount Designated for Obligations

\$ 18,365,000 \$ 14,380,000

2. Description of Project Costs to be Paid

Total Amount Designated for Project Costs

\$ -

TOTAL AMOUNT DESIGNATED

\$ 14,380,000

SURPLUS*/(DEFICIT)

\$ (9,016,877)

* NOTE: If a surplus is calculated, the municipality may be required to repay the amount to overlapping taxing

SECTION 4 [65 ILCS 5/11-74.4-5 (d) (6) and 65 ILCS 5/11-74.6-22 (d) (6)]

FY 2015

TIF NAME: Rand Rd Corridor TIF

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

 X **No property was acquired by the Municipality Within the Redevelopment Project Area**

Property Acquired by the Municipality Within the Redevelopment Project Area

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

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

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

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

FY 2015

TIF NAME: Rand Rd Corridor TIF

SECTION 5 PROVIDES PAGES 1-3 TO ACCOMMODATE UP TO 25 PROJECTS. PAGE 1 MUST BE INCLUDED WITH TIF REPORT. PAGES 2-3 SHOULD BE INCLUDED ONLY IF PROJECTS ARE LISTED ON THESE PAGES

Check here if <u>NO</u> projects were undertaken by the Municipality Within the Redevelopment Project Area:			
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*.			8
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 60,244,493	\$ -	\$ -
Public Investment Undertaken	\$ 61,133,257	\$ 382,458	\$ 1,055,953
Ratio of Private/Public Investment	68/69		0

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE

Walmart

Private Investment Undertaken (See Instructions)	\$ 36,094,493		\$ -
Public Investment Undertaken	\$ 30,382,599		
Ratio of Private/Public Investment	1 3/16		0

Project 2:

Arlington Toyota

Private Investment Undertaken (See Instructions)	\$ 10,000,000		
Public Investment Undertaken	\$ 17,331,250	\$ 375,000	\$ 1,048,495
Ratio of Private/Public Investment	15/26		0

Project 3:

Tore & Luke's

Private Investment Undertaken (See Instructions)	\$ 1,500,000		
Public Investment Undertaken	\$ 1,126,390		
Ratio of Private/Public Investment	1 1/3		0

Project 4:

White Castle

Private Investment Undertaken (See Instructions)	\$ 1,500,000		
Public Investment Undertaken	\$ 121,520		
Ratio of Private/Public Investment	12 11/32		0

Project 5:

Harley Davidson

Private Investment Undertaken (See Instructions)	\$ 7,000,000		
Public Investment Undertaken	\$ 3,152,355		
Ratio of Private/Public Investment	2 15/68		0

Project 6:

Foxfire/Caputo's

Private Investment Undertaken (See Instructions)	\$ 3,300,000		
Public Investment Undertaken	\$ 901,601		
Ratio of Private/Public Investment	3 33/50		0

Project 7: Sonic Restaurant			
Private Investment Undertaken (See Instructions)	\$	850,000	
Public Investment Undertaken	\$	117,542	\$ 7,458
Ratio of Private/Public Investment		7 3/13	0

Project 8: Menards			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	8,000,000	
Ratio of Private/Public Investment		0	0

Project 9:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Project 10:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Project 11:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Project 12:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Project 13:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Project 14:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Project 15:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment		0	0

Optional: Information in the following sections is not required by law, but would be helpful in evaluating the performance of TIF in Illinois. ***even though optional MUST be included as part of complete TIF report**

SECTION 6

FY 2015

TIF NAME: Rand Rd Corridor TIF

Provide the base EAV (at the time of designation) and the EAV for the year reported for the redevelopment project area

Year redevelopment project area was designated	Base EAV	Reporting Fiscal Year EAV
2002	\$ 53,566,271	\$ 71,415,430

List all overlapping tax districts in the redevelopment project area.

If overlapping taxing district received a surplus, list the surplus.

☒ The overlapping taxing districts did not receive a surplus.

Overlapping Taxing District	Surplus Distributed from redevelopment project area to overlapping districts
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -
	\$ -

SECTION 7

Provide information about job creation and retention

Number of Jobs Retained	Number of Jobs Created	Description and Type (Temporary or Permanent) of Jobs	Total Salaries Paid
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -
			\$ -

SECTION 8

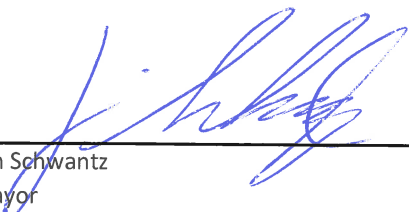
Provide a general description of the redevelopment project area using only major boundaries:

--

Optional Documents	Enclosed
Legal description of redevelopment project area	
Map of District	

CERTIFICATION BY THE CHIEF EXECUTIVE OFFICER

I, Jim Schwantz, the duly elected Mayor and Chief Executive Officer of the Village of Palatine, County of Cook, State of Illinois, do hereby certify that to the best of my knowledge, the Village complied with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the fiscal year beginning January 1, 2015 and ending December 31, 2015.



Jim Schwantz
Mayor

06/22/2016
Date

CERTIFICATION BY THE VILLAGE ATTORNEY

This will confirm that I am the duly appointed Village Attorney of the Village of Palatine, County of Cook, State of Illinois. I have reviewed all information provided to me by the Village of Palatine staff and consultants. I find that the Village has conformed to all the applicable requirements of the Illinois Tax Incremental Redevelopment Allocation Act set forth thereunder for the fiscal year beginning January 1, 2015 and ending December 31, 2015, to the best of my knowledge and belief.



Patrick Brankin
Village Attorney

06/22/2016

Date

Activities Undertaken in Furtherance of the Objectives of the Redevelopment Plan

The redevelopment of the former Idol's site (northeast corner of Rand & Dundee) has obtained all zoning approvals and the developer is finalizing site acquisition. The approved development will include a drive-through Panera and additional commercial tenant spaces. The Park Place Shopping Center completed an exterior/interior renovation to facilitate Goodwill's occupancy of the former Office Max space. Lastly, a supportive housing project recently received approval on a Village owned property along Rand Road. The site is a portion of property initially acquired by the Village to facilitate the relocation of Tore & Luke's restaurant and the subsequent development of the Arlington Toyota dealership.

ORDINANCE NO. 0-88-15

**AN ORDINANCE AUTHORIZING THE VILLAGE MANAGER TO EXECUTE
A REDEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF PALATINE
AND UNITED GROWTH PALATINE, IL LLC FOR THE PROPERTY AT
1601 N. RAND ROAD**

**Published in pamphlet form by authority of the
Mayor and Village Council of the Village of Palatine
on August 3, 2015**

**AN ORDINANCE AUTHORIZING THE VILLAGE MANAGER TO EXECUTE A
REDEVELOPMENT AGREEMENT BETWEEN THE
VILLAGE OF PALATINE AND UNITED GROWTH PALATINE, IL LLC
FOR THE PROPERTY AT 1601 N. RAND ROAD**

WHEREAS, the Village of Palatine by Ordinance Nos. 0-23-03, 0-24-03, 0-25-03 and passed by the Mayor and Village Council on January 27, 2003 established a Tax Increment Financing District, adopted a Tax Increment Redevelopment Plan for Rand Road Corridor, and designated a Redevelopment Project Area; and

WHEREAS, the Mayor and Village Council have on August 3, 2015, considered the proposed Redevelopment Agreement with United Growth Palatine, IL LLC for the property at 1601 N. Rand Road and have determined that entering into this Agreement furthers the purposes of the Tax Increment Financing District and the Redevelopment Plan for the Rand Road Corridor TIF District and furthers the public interest; and

NOW, THEREFORE, BE IT ORDAINED, by the Mayor and Village Council of the Village of Palatine, acting in the exercise of their home rule power that:

SECTION 1: The Village of Palatine hereby authorizes the Village Manager to execute the Redevelopment Agreement, attached hereto as Exhibit "A", pursuant to the Tax Increment Financing Act, Section 65 ILCS 5/11-74/4-4(c) and authorizes the Village Manager to execute any other supporting documents to the extent permitted by law.

SECTION 2: This Ordinance shall be in full force and effect upon passage and approval as provided by law.

PASSED: This 3rd day of August, 2015

AYES: 6 NAYS: 0 ABSENT: 0 PASS: 0

APPROVED by me this 3rd day of August, 2015



Mayor of the Village of Palatine

ATTESTED and FILED in the office of the Village Clerk this 3rd day of
August, 2015



Village Clerk

7/31/2015 9:36 AM

STATE OF ILLINOIS)
COUNTY OF COOK) SS

I, MARGARET R. DUER, do hereby certify that I am the duly elected, qualified and acting Clerk of the Village of Palatine, Cook County, Illinois, and that I am the keeper of the records, journals, entries, ordinances and resolutions of the said Village of Palatine.

I do further certify that the foregoing Ordinance is a true and correct copy of an Ordinance passed and adopted by the Village Council of the Village of Palatine at a Regular meeting held on the 3rd day of August, 2015, and that said ordinance was deposited and filed in the office of the Village Clerk on the 3rd day of August, 2015.

I do further certify that the original of which the foregoing is a true copy, is entrusted to my care for safekeeping and that I am the keeper of the same.

I further certify that the vote of the Village Council on the motion to adopt said ordinance was as follows:

AYES: 6 NAYS: 0 ABSENT: 0 PASS: 0

BY WITNESS WHEREOF, I have hereunto set my hand and affixed the corporate seal of the Village of Palatine this 10th day of August, 2015.

(S E A L)


Margaret R. Duer
Palatine Village Clerk

JULY 2015

REDEVELOPMENT AGREEMENT

THIS AGREEMENT ("Agreement"), made and entered into as of this 7TH day of AUGUST, 2015 ("Agreement Date"), by and between the Village of Palatine, Illinois, an Illinois municipal home rule corporation located in Cook County, Illinois ("Village") and UG Palatine IL LLC, 1000 Fourth Street, Suite 290, San Rafael, CA 94901 ("United Growth"). The Village and United Growth are sometimes referred to individually as a "Party" and collectively as the "Parties".

WITNESSETH:

WHEREAS, the Village is a home rule unit of government in accordance with Article VII Section 6 of the Constitution of the State of Illinois, 1977; and

WHEREAS, the Village has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety and welfare of the Village and its inhabitants, to prevent the presence of blight, to encourage private development in order to enhance the local tax base, to increase additional tax revenue realized by the Village, foster increased economic activity within the Village, to increase employment opportunities within the Village, and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes, and otherwise the interests of the Village; and

WHEREAS, the Village is authorized, under the provisions of the Tax Increment Allocation Redevelopment Act 65 ILCS 5/74.4-1 *et seq.*, as amended ("the Act") to finance redevelopment in accordance with the conditions and requirements set forth in the Act; and

JULY 2015

WHEREAS, to stimulate and induce redevelopment in the Rand Road/Dundee Road Corridor pursuant to the Act, the Village has adopted the following ordinances, after giving all notices required and after conducting the public hearings required by law: and

1. Ordinance No. O-23-03, adopted January 27, 2003, titled "Ordinance Approving the Village of Palatine Cook County, Illinois, Rand Road Corridor Area Project Area Development Plan and Project;

2. Ordinance No. O-24-03 adopted January 27, 2003, titled "Ordinance Designating the Village of Palatine, Illinois, Rand Road/Dundee Road Corridor Area Tax Increment Redevelopment Project Area" ("Rand Road Redevelopment Project Area");

3. Ordinance No. O-25-03, adopted January 27, 2003, titled "Ordinance Adopting Tax Increment Financing for the Village of Palatine Rand Road/Dundee Corridor Area Tax Increment Redevelopment Project Area in the Village of Palatine, Cook County, Illinois"; and

WHEREAS, United Growth is the contract purchaser of the property located at 1601 N. Rand Road, which is legally described on Exhibit "A" (the "Property"); and

WHEREAS, United Growth desires to redevelop the Property with multiple restaurant/retail uses ("Redevelopment Project"); and

JULY 2015

WHEREAS, United Growth intends to purchase the Property; and this Redevelopment Agreement is subject to United Growth, in fact, closing on the Property and receiving the land use approvals necessary to construct the Redevelopment Project; and

WHEREAS, United Growth has been and continues to be unwilling to undertake the redevelopment of the Property but for certain tax increment financing ("TIF") incentives from the Village, which the Village is willing to provide under the terms and conditions contained herein; and

WHEREAS, the Village desires to see the Property redeveloped and is willing to consider assisting in certain permit costs associated with the Redevelopment Project; and

WHEREAS, the Village finds that the Agreement set forth below serves the public interest by assisting United Growth in redeveloping the Property, while at the same time furthering the Village's implementation of the Rand Road Corridor Area Project Area Development Plan and Project.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency which are hereby acknowledged, the Parties do hereby agree as follows:

ARTICLE ONE

INCORPORATION OF RECITALS.

The findings, representations and agreements set forth in the above Recitals are material to this Agreement and are hereby incorporated into and made a part of this

JULY 2015

Agreement as though fully set out in this Article One, and constitute findings, representations and agreements of the Village and the other Parties.

ARTICLE TWO

DEFINITIONS

For the purposes of this Agreement, unless the context clearly requires otherwise, words and terms used in this Agreement shall have the meanings provided from place to place herein, including above in the recitals hereto and as follows:

“Act” means the Tax Increment Allocation Redevelopment Act found at 65 ILCS 5-11-74.4-1, et. seq.

“Agreement” means this Redevelopment Agreement.

“Change in Law” means the occurrence, after the Effective Date, of an event described in Section (a) below, unless such event is excluded pursuant to Section (b) or Section (c) below:

(a) Change in Law means any of the following: (i) the enactment, adoption, promulgation or modification of any federal, state or local law, ordinance, code, rule or regulation (other than by the Village); (ii) the order or judgment of any federal or state court, administrative agency or other governmental body; (iii) the imposition of any conditions on, or delays in, the issuance or renewal of any governmental license, approval or permit (or the suspension, termination, interruption, revocation, modification, denial or failure of issuance or renewal thereof) necessary for the undertaking of the services to be performed under this

JULY 2015

Agreement (other than by the Village); or (iv) the adoption, promulgation, modification or interpretation in writing of a written guideline or policy statement by a governmental agency (other than by the Village).

(b) An event described in Section (a) above shall not be a Change in Law unless the event materially changes the costs or ability of the Party relying thereon to carry out its obligations under this Agreement.

(c) An event which would otherwise be a Change in Law pursuant to Section (a) and Section (b) above shall not be a Change in Law if the event is caused by the fault of the Party relying thereon.

“Corporate Authorities” means the Village Mayor and Village Council of the Village of Palatine, Illinois.

“Day” means a calendar day.

“Incremental Property Taxes” means the *ad valorem* taxes, if any, arising from the taxes levied in the Rand Corridor TIF District, which taxes are attributable to the increases in the then current equalized assessed valuation (“EAV”) of the property within the Rand Corridor TIF District over and above the total Initial EAV of the Property within the TIF District, all as determined by the County Clerk of Cook County, Illinois, pursuant to and in accordance with the Act, the TIF Ordinances and this Redevelopment Agreement, and includes any replacement or amended taxes, subject to the determination thereof on a “per parcel” or a “per area” basis under applicable law.

“Party” means the Village and/or United Growth, as the context requires.

JULY 2015

"Person" means any individual, corporation, partnership, limited liability company, joint venture, association, trust, or government or any agency or political subdivision thereof, or any agency or entity created or existing under the compact clause of the United States Constitution.

"Rand Corridor TIF District" means the TIF District established by the Village of Palatine through the adoption of the corresponding ordinances on January 27, 2003.

"Rand Corridor TIF Fund" means the funds, as generated by incremental property taxes, available to the Village for the use towards TIF eligible expenses within the Rand Corridor TIF District

"Redevelopment Project Area" means the Rand Corridor TIF District created by the TIF Ordinances.

"Redevelopment Project" means a retail development containing a drive-thru Panera restaurant and other retail uses in accordance with the Site Plan attached hereto as Exhibit "B".

"State" means the State of Illinois.

"Uncontrollable Circumstance" means any event which:

- (a) is beyond the reasonable control of and without the fault of the Party relying thereon; and
- (b) includes, but is not limited to, the following events:
 - (i) a Change in Law;

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- (ii) insurrection, riot, civil disturbance, sabotage, act of the public enemy, explosion, nuclear incident, war or naval blockade;
- (iii) epidemic, hurricane, tornado, landslide, earthquake, lightning, fire, windstorm, other extraordinary weather condition or other similar Act of God;
- (iv) governmental condemnation or taking other than by the Village;
- (v) strikes or labor disputes, other than those caused by the unlawful acts of United Growth.

Uncontrollable Circumstance shall not include economic hardship, or impracticability of performance, commercial or economic frustration of purpose, unavailability of materials, strikes or labor disputes caused by the unlawful acts of United Growth or a failure of performance by a contractor (except as caused by events which are Uncontrollable Circumstances as to the contractor).

"Village" means the Village of Palatine, Illinois, an Illinois municipal corporation.

ARTICLE THREE

CONSTRUCTION

This Agreement, except where the context by clear implication shall otherwise require, shall be construed and applied as follows:

- (a) Definitions include both singular and plural.
- (b) Pronouns include both singular and plural and cover all genders.

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(c) The word “include”, “includes” and “including” shall be deemed to be followed by the phrase “without limitation”.

(d) Headings of Sections herein are solely for convenience of reference and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

(e) All exhibits attached to this Agreement shall be and are operative provisions of this Agreement and shall be and are incorporated by reference in the context of use where mentioned and referenced in this Agreement. In the event of a conflict between any exhibit and the terms of this Agreement, this Agreement shall control.

(f) Any certificate, letter or opinion required to be given pursuant to this Agreement means a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth. Reference herein to supplemental agreements, certificates, demands, requests, approvals, consents, notices and the like means that such shall be only written whether or not a writing is specifically mentioned in the context of use.

(g) The Village Manager, unless applicable law requires action by the Village Mayor and Village Council, shall have the power and authority to make or grant or do those things, supplemental agreements, certificates, requests, demands, approvals, consents, notices and other actions required or described in this Agreement for and on behalf of the Village and with the effect of binding the Village as limited by and provided for in this Agreement. Notwithstanding anything herein to the contrary, the Village Manager is hereby authorized to take those actions specified herein to be taken by the Village, or any other officer of the

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Village, related to this Agreement. United Growth is entitled to rely on the full power and authority of the persons executing this Agreement on behalf of the Village as having been properly and legally given by the Village.

(h) In connection with the foregoing and other actions to be taken under this Agreement, unless applicable documents require action by United Growth in a different manner, United Growth hereby designates Brad LaRue as its authorized representative who shall have the power and authority to make or grant or do all things, supplemental agreements, certificates, requests, demands, approvals, consents, notices and other actions required or described in this Agreement for and on behalf of United Growth and with the effect of binding United Growth in that connection, such individual being the "Authorized United Growth Representative". United Growth is authorized to change the Authorized United Growth Representative upon reasonable written notice to the Village.

ARTICLE FOUR

TIF ASSISTANCE TO REIMBURSE CERTAIN PERMIT FEES RELATED TO CONSTRUCTION OF THE REDEVELOPMENT PROJECT

4.1 Total TIF Benefit. The Village agrees to provide financial TIF assistance to United Growth in the form of cash payments to reimburse for certain TIF eligible permit costs, consistent with those types of TIF eligible permit costs outlined on the attached Exhibit "C", associated with the Redevelopment Project. The Village's total financial TIF assistance shall not exceed One Hundred and Ten Thousand Dollars (\$110,000.00), payable as set forth in subsection 4.2 below. United Growth's TIF assistance payments shall be subject to United Growth submitting copies of actual paid invoices, receipts, or other proof of the

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permit costs incurred by United Growth ("Proof of TIF Eligible Expenses") deemed adequate by the Village Attorney. United Growth shall not be entitled to reimbursement of TIF eligible permit expenses if the request for reimbursement and all supporting evidence of the TIF eligible permit expense reimbursements are not provided to the Village prior to December 31, 2017, and this Agreement shall be null and void.

Prior to any payment to United Growth, United Growth agrees to provide the financial information requested by the Village for the Village to use in determining the amount of funds to be provided for the reimbursement of TIF eligible permit expenses. Upon the Village's determination of the funds to be provided, which in no case shall exceed One Hundred and Ten Thousand Dollars (\$110,000.00), said amount of funds shall be deemed as the Total Eligible Permit Costs and shall be used for calculating the payments outlined in Section 4.2. This Agreement shall not constitute a debt of the Village within the meaning of any constitutional statutory provision or limitation. Because the Special Tax Allocation Fund is a special fund, the aforesaid deposits into the Special Tax Allocation Fund shall not be subject to the appropriation process of the Corporate Authorities of the Village and the amounts deposited therein shall be disbursed in accordance with this Agreement without further action of the Corporate Authorities.

4.2 Timing of TIF Reimbursement Payments.

(a) Initial TIF Reimbursement Payment. The Village shall pay United Growth Fifty Percent (50%) of the Total Eligible Permit Costs, up to a maximum of Fifty-Five Thousand Dollars (\$55,000.00), within thirty (30) days after the Village issues either a Temporary

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Occupancy Certificate or a Final Occupancy Certificate for Panera, whichever is issued first, and so long as Panera is open and operating.

(b) **Remaining TIF Reimbursement Payment.** The remaining Fifty Percent (50%) of the Total Eligible Permit Costs, up to a maximum of Fifty-Five Thousand Dollars (\$55,000.00), shall be paid by the Village to United Growth within thirty (30) days after the Village issues a Final Occupancy Certificate for Panera and so long as Panera is open and operating.

(c) **Condition of Payments.** The TIF Reimbursement Payments outlined above shall be made so long as the Rand Corridor TIF Fund has sufficient TIF funds created by properties in the Rand Corridor TIF Fund to generate sufficient revenue to pay said amount of the TIF reimbursements, or, in the alternative, the Village may elect to make said payment from an adjacent TIF District Fund if said TIF District Fund has sufficient funds to make said payment and if said payment is permitted by law. If the TIF Reimbursement Payments outlined above cannot be made when due, either due to lack of sufficient funds in the Rand Corridor TIF Fund or due to the Village's unwillingness or inability to pay from an adjacent TIF Fund, said TIF Reimbursement Payments shall be made when the Rand Corridor TIF Fund has sufficient funding to make said payments. Payments due under this agreement shall be made based on priority, which priority shall be established by the chronological date of adoption of all existing redevelopment agreements and other Village debt obligations applicable to the Rand Corridor TIF and enacted prior to the Effective Date of this Agreement. This Agreement shall not constitute a debt of the Village within the meaning of any constitutional statutory provision

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or limitation. Because the Special Tax Allocation Fund is a special fund, the aforesaid deposits into the Special Tax Allocation Fund shall not be subject to the appropriation process of the Corporate Authorities of the Village and the amounts deposited therein shall be disbursed in accordance with this Agreement without further action of the Corporate Authorities.

ARTICLE FIVE

REMEDIES FOR DEFAULT

In the case of default by any Party, hereunder:

5.1 Cure Period. The defaulting Party shall, upon written notice from the non-defaulting Party, take action to cure or remedy such default. If, in case any monetary default is not cured or, if in the case of a non-monetary default, action is not taken or not diligently pursued, or if action is taken and diligently pursued but such default or breach shall not be cured or remedied within a reasonable time, but in no event more than ninety additional days unless extended by mutual agreement, the non-defaulting Party may institute such proceedings as may be necessary or desirable, in its opinion, to cure or remedy such default or breach, including but not limited to, proceedings to compel specific performance of the defaulting Party's obligations under this Agreement.

5.2 Default by United Growth. In the case of default by United Growth, in addition to any other remedies at law or equity, the Village shall be relieved of its obligations under this Agreement, including but not limited to, its obligations to make any payment to United Growth. Any payment made to United Growth shall be returned to the Village in the event of a default by United Growth.

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5.3 Prevailing Party. In the event a default is not cured within the applicable cure period, and the Parties employ an attorney or attorneys or incur other expenses for the collection of the payments due under this Agreement or the enforcement of performance or observance of any obligations or agreements herein contained, the non-prevailing Party shall pay, on demand, the prevailing Party's reasonable fees of such attorneys and such other reasonable expenses in connection with such enforcement action.

5.4 Waiver. Any delay by either Party in instituting or prosecuting any actions or proceedings or otherwise asserting its rights under this Agreement, shall not operate, to act as a waiver of such rights or to deprive it of or, limit such rights in any such way, it being the intent of this provision that neither Party shall be deprived of or limited in the exercise of the remedies provided in this Agreement because of concepts of waiver, laches or otherwise, nor shall any waiver in fact made with respect to any specific Event of Default be considered or treated as a waiver of the rights by the waiving party of any future Event of Default hereunder, except to the extent specifically waived in writing. No waiver made with respect to the performance, nor the manner or time thereof, of any obligation or any condition under the Agreement shall be considered a waiver of any rights except if expressly waived in writing.

5.5 Cumulative Remedies. The rights and remedies of the Parties to this Agreement, whether provided by law or by this Agreement, shall be cumulative, and the exercise of any one or more of such remedies shall not preclude the exercise by such Party, at that time or different times, of any other such remedies for the same Event of Default.

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ARTICLE SIX

NOTICES

All notices, certificates, approvals, consents or other communications desired or required to be given hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) personal service, (b) overnight courier, or (c) registered or certified first class mail, postage prepaid, return receipt requested.

If to Village: Village of Palatine
200 E Wood Street
Palatine, IL 60067
Attn: Village Clerk

With a copy to: Village of Palatine
200 E Wood Street
Palatine, IL 60067
Attn: Village Manager

To United Growth: United Growth Capital Management, LLC
Attn: Brad LaRue
1000 Forth Street
Suite 2390
San Rafael, CA 94901

The Parties, by notice hereunder, may designate any further or different addresses to which subsequent notices, certificates, approvals, consents or other communications shall be sent. Any notice, demand or request sent pursuant to clause (a) shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand or request sent pursuant to clause (b) shall be deemed received on the day immediately following deposit with the overnight courier, and any notices, demands or

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requests sent pursuant to clause (c) shall be deemed received forty-eight (48) hours following deposit in the mail.

ARTICLE SEVEN

MISCELLANEOUS PROVISIONS

7.1 Time of the Essence. Time is of the essence of this Agreement.

7.2 Integration. This Agreement supercedes all prior agreements, negotiations and discussions relative to the subject matter hereof and is a full integration of the agreement of the Parties.

7.3 Execution. This Agreement may be executed in counterparts, each of which shall be an original and all of which will constitute one and the same Agreement.

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

7.5 Choice of Law. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

7.6 Entire Contract And Amendments. This Agreement (together with the exhibits attached hereto) is the entire contract between the Village and United Growth relating to the subject matter hereof, supersedes all prior and contemporaneous negotiations, understandings and agreements, written or oral, between the Village and United Growth,

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and may not be modified or amended except by a written instrument executed by the Parties hereto.

7.7. Third Parties. Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other persons other than the Village and United Growth, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to either the Village or United Growth, nor shall any provision give any third parties any rights of subrogation or action over or against either the Village or United Growth. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

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

7.9 No Assignment. Unless and until the Redevelopment Project is issued a Final Certificate of Occupancy and Panera is open for business, no Party to this Agreement may assign its rights under this Agreement to any other person without the express written approval of the Village, for which the Village agrees not to unreasonably withhold, delay or condition its approval.

7.10 No Joint Venture, Agency or Partnership Created. Nothing in this Agreement, or any actions of the Parties to this Agreement, shall be construed by the Parties or any third

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

7.11 No Personal Liability of Officials of Village or Other Parties. No covenant or agreement contained in this Agreement shall be deemed to be the covenant or agreement of the Mayor, Village Council member, Village Manager, any official, officer, partner, member, director, agent, employee or attorney of the Village or any Party, in his or her individual capacity, and no official, officer, partner, member, director, agent, employee or attorney of the Village or any Party shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out of the execution, delivery and performance of this Agreement, or any failure in that connection.

7.12 Tax Exempt Status. United Growth and successor owners shall not assert a real estate tax-exempt status for the property during their respective period of ownership. This prohibition shall run with the land and shall expire on the date the Entire Redevelopment Project Area expires or an earlier date if agreed by Village and United Growth.

7.13 Sale Contracts. All sales contracts and leases shall be made specifically subject to the terms of this Agreement.

7.14 No Gifts. United Growth covenants that no officer, member, manager, stockholder, employee or agent of said Party, or any other person connected with said Party, has made, offered or given, either directly or indirectly, to the Mayor, any Council member, or any officer, employee or agent of Village, or any other person connected with Village, any

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money or anything of value as a gift or bribe or other means of influencing his or her action in his or her capacity with Village.

7.15 Disclosure. Concurrently with execution of this Agreement, United Growth shall disclose to Village the names, addresses and ownership interests of all Persons that comprise said Party, including all members of the limited liability company. Said Parties shall disclose the same information to Village upon execution of this Agreement. Except as otherwise permitted herein and unless and until the Redevelopment Project is issued a Final Certificate of Occupancy and Panera is open for business, no change shall be made in the persons comprising said Party or in their ownership interests without the consent of Village, for which the Village agrees not to unreasonably withhold, delay or condition its consent.

7.16 Adherence to Village Codes and Ordinances. Construction shall comply in all respects with the applicable provisions of the Village codes and ordinances in effect.

7.17 Term. This Agreement shall remain in full force and effect until the date the Entire Redevelopment Project Area expires or an earlier date if agreed by Village and United Growth.

ARTICLE EIGHT

EFFECTIVENESS

The effective date ("Effective Date") for this Agreement shall be the day on which this Agreement is fully executed pursuant to a duly enacted Village ordinance authorizing

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the execution of an adoption of this Agreement. All parties, other than the Village, shall execute this Agreement not later than thirty (30) days after Village Council's authorization and execution of this Agreement, or else this Agreement will be deemed void. The Village shall execute this Agreement not later than twenty-one days after the Agreement is tendered to the Village which is executed by United Growth.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed on or as of the day and year first above written.

VILLAGE OF PALATINE, an Illinois
municipal corporation

By: 
Its: Village Manager

ATTEST:

By: 
Its: Village Clerk

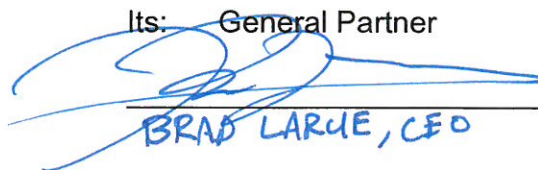
UG PALATINE IL, LLC

By: United Growth Development, LP

Its: Managing Member

By: United Growth Capital Management, LLC

Its: General Partner


BRAD LARUE, CEO

ACKNOWLEDGMENT

A Notary Public or other officer completing this certificate verifies only the identity of the individual who signed the document to which this certificate is attached, and not the truthfulness, accuracy, or validity of that document.

State of California

County of Marin

On AUG. 12, 2015 before me, LISA IMMENDORF
Date (here insert name and title of the officer)

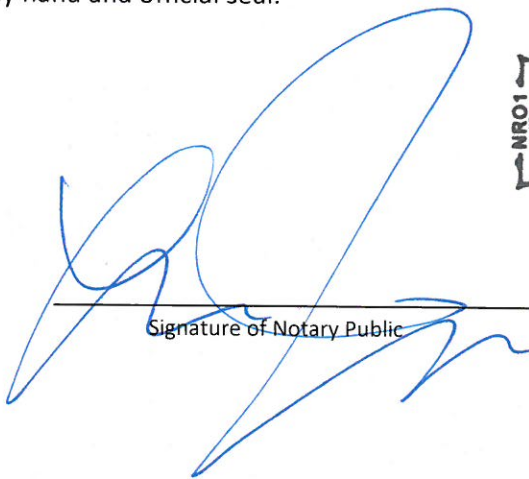
personally appeared BRAD LARUE
Name(s) of Signer(s)

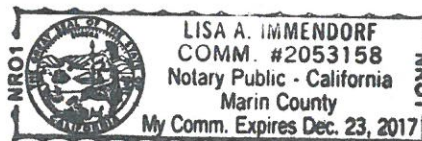
who proved to me on the basis of satisfactory evidence to be the person (s) whose name (s) is/are subscribed to the within instrument and acknowledged to me that he/she/they executed the same in his/her/their authorized capacity (ies), and that by his/her/their signature (s) on the instrument the person (s), or the entity upon behalf of which the person (s) acted, executed the instrument.

I certify under PENALTY OF PERJURY under the laws of the State of California that the foregoing paragraph is true and correct.

WITNESS my hand and official seal.

Signature


Signature of Notary Public



Place Notary Seal Above

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EXHIBIT LIST

EXHIBIT

- A Property Legal Description and Common Address
- B. Redevelopment Project Preliminary Plans
- C. Project Permit Costs

Exhibit “A”

EXHIBIT A – Legal description – 1601 N. Rand Road

That part of the West 1/2 of the Southwest 1/4 of Section 1, Township 42 North, Range 10 East of the Third Principal Meridian, described as follows: Beginning on the South line of said West 1/2 of the Southwest 1/4 of Section 1, at a point 598.32 feet East from the Southwest corner thereof; thence East along said South line 271.65 feet; thence North forming a Northwest angle of 89 degrees 46 minutes 30 seconds with said South line of Section 1, 280.10 feet; thence West parallel to said South line of Section 1, 532.7 feet to the center line of the pavement of Rand Road; thence Southeasterly 387.65 feet more or less to the point of beginning (excepting from the above described premises that part lying Northwesterly of a line parallel with the Northwesterly line of Lots 9 and 10 and the Northwesterly line of said Lot 9 extended Southwesterly in Capri Gardens, according to the plat thereof recorded as Document Number 17308059 and drawn through a point on the Northeasterly line of Rand Road 153 feet (as measured along the Northeasterly line of said Rand Road) Southeasterly of the most Westerly corner of said Lot 9, also excepting therefrom that part described as follows: Beginning at the intersection of the Northeasterly line of Rand Road with the North line of Dundee Road; thence East along said North line, a distance of 234.09 feet to the East line of the above described tract; thence North along said line, a distance of 17 feet to a point; thence Westerly along a line parallel with and normally distant 17 feet from the North line of Dundee Road, a distance of 211.09 feet to a point, said point being 40 feet East of the Northeast line of Rand Road; thence Northwesterly along a line a distance of 73.9 feet more or less to a point 64.0 feet as measured along the Northeast line of Rand Road, Northwesterly of the point of beginning; thence Southeasterly along said line 64.0 feet to the point of beginning, also excepting therefrom that part thereof taken by the Department of Transportation of the State of Illinois in Condemnation Case Number 82L50411, in Cook County, Illinois.

commonly known as 1601 N. Rand Road (aka the vacant property at the northeast corner of Rand & Dundee Roads) (PIN #02-01-300-017) (UG Palatine Subdivision)

Exhibit “B”

Exhibit “C”

Palatine, IL

Permit detail


 Date 7/29/2015
 Version Base

Fee	Base Fee	+	Unit	Type	Quantity	Fees	Comments
							Per 4000sf MF, 4200sf Panera DT, 1700 T-Mobile and 3,000sf Dental One
Building							
Building Permit Fees	\$ 44	+	\$ 11.00	Per \$1000	1957.45	\$21,576	Base fee = first \$5000 of project valuation per proforma, incl site, bldg & LL TI work
Building Plan Check	\$ 42	+	\$ 3.00	per \$1000	1957.45	\$5,914	
Certificate of Occupancy	\$ 168	+	10% of BP Fee		64,728	\$6,641	TCO = 10% of bldg permit fee, one per building
Dumpster Enclosure Permit	\$ 150	+	\$82.00	Lump Sum	3	\$396	One trash enclosure per building plus permit application fees
Electrical Permit/Inspection Fee	\$ 33	+	\$20.00	Per circuit	308	\$6,193	Base fee = 42 circuits. Assume 175 circuits
Fire Plan Check & Inspection Fees	\$ -	+	2.0% of BP Fee		\$ 21,576	\$432	Panera, 75 Dental One, 50 x2 for MF & T-Mobile use.
Fire Sprinkler System	\$ 55	+	\$27.00	per head	34	\$973	Base fee = first 100 sprinkler heads. Assumes 1 head per 100 sf
Landscape Fee	\$ 55	+	\$2.50	per \$1000	100	\$305	Estimate
Mechanical Permit Fees	\$ 55	+	\$15	per ton	74	\$1,165	MF - 1 ton/300sf. Panera = 1 ton/140 sf.
Mechanical Plan Check	\$ -					\$0	Assumes 1 ton/150 sf for add'l 2 tenants
Plumbing Permit	\$ 56	+	\$11.00	per fixture	150	\$1,706	Base fee = first five fixtures. Estimate per MF, T-Mobile, Dental One and Panera
Sign Permit	\$ 69	+	\$ 1.00	Per sf	100	\$169	Assumes max sf allowable, includes plan exam fee
SWP Fees	\$ -	+	\$ 0.21	Per \$1000	\$ 100	\$21	Estimate
							\$45,491
Impact							
County Facilities Fee	\$ -	+	\$0.00	Psf Bldg	-	\$0	
County Impact Fee	\$ -					\$0	
Misc. Other Fees	\$ -	+	\$0	Lump Sum	-	\$0	
School Fees	\$ -	+	\$0.00	Psf Bldg	-	\$0	
Traffic Impact Fees	\$ -	+	\$0	Lump Sum	-	\$0	
							RESEARCH FROM SIR
							\$0
Mapping							
Lot Line Adjustment	\$ -	+	\$0	LS	-	\$0	
Parcel Map	\$ 374	+	\$7	per acre	1.64	\$385	Final Plat. Prelim Plat = \$161 plus \$11/acre. Incl \$157 Cook County recording fee
Plan Review - Parcel Map	\$ -	+	3.5%	of site costs		\$0	\$360K sitework costs per 05.01 proforma, will add to costs as necessary
							\$385
Planning							
Assessment District Median Fee	\$ -	+	\$0	LS	1	\$0	
CC&R's	\$ -	+	\$0	LS	1	\$0	
Conditional Use Permit	\$ -	+	\$0	LS	1	\$0	Drive-thru allowed per Zoning ordinance
Corporate Formation Docs	\$ -	+	\$1,500	LS	1	\$1,500	Estimate per Eterna
Design Review	\$ -	+	\$0	1000 SF	1	\$0	
Engineering/Building & Safety Fees	\$ -	+	\$0	LS	1	\$0	
Environmental Report	\$ -	+	\$0	LS	1	\$0	
General Plan Amendment	\$ -	+	\$0	LS	1	\$0	
Landscaping Plan	\$ -	+	\$0	LS	1	\$0	
Misc. Planning Fees	\$ -	+	0%	Lump Sum	-	\$0	
Modification Permit	\$ -	+	\$0	LS	1	\$0	
Preliminary Design Review	\$ -	+	\$44	per hour	10	\$440	Assume 10 hours for review
Sign Program	\$ -	+	\$0	LS	1	\$0	
Sign Variance	\$ -	+	\$705	LS	1	\$705	Per zoning ordinance, centers less than 2 acres allowed 1 monument sign; variance may be necessary to allow 2nd monument
Traffic Report Review	\$ -	+	\$0	LS	1	\$0	
Zoning Letter	\$ -	+	\$100	LS	1	\$100	Estimate
							\$2,745
Utilities - Onsite							
Sewer Connection Fees	\$ 354	+	\$2,616	Lump Sum	3	\$8,202	Assume (1) 4" line per building
Sewer, Lift Station & Forcemain							Estimate per Lesley @ Kimley Horn. Cost/LF per
Inspection Fee (MWRDGC)	\$ -	+	\$5	per LF	300	\$1,500	MWRDGC fee worksheet
Storm Drain	\$ -	+	\$4,500	Lump Sum	3	\$13,500	Estimate. Assume 1 connection per building

U:\Projects - Active\Palatine Rand (IL)\Proformas\Palatine Proforma 2015.07.27

Stormwater Detention Permit (MWRDGC)	\$ - +	\$1,500 Lump Sum	1	\$1,500	Per MWRDGC fee worksheet and Kimley Horn
Utility - Electric	\$ 2,500 +	\$7,500 Lump Sum	3	\$25,000	Application fee plus estimate to bring transformers to site & energize. Panera = 800 amp service. Assume 1 transformer per building
Utility - Electric - Pole Relocation	\$ - +	\$0 Lump Sum	1	\$0	
Utility - Gas	\$ - +	\$2,500 Lump Sum	3	\$7,500	Estimate to bring gas to 3 buildings
Utility - Telephone	\$ - +	\$1,500 Lump Sum	3	\$4,500	MF = 1" conduit.
Water Connection Fee - MF	\$ 543 +	\$284 Lump Sum	1	\$827	MF = 3/4" line & meter per work letter. Includes water system surcharges
Water Connection Fee - Panera	\$ 1,234 +	\$284 Lump Sum	1	\$1,518	Panera = 2" line & meter per work letter. Includes water system surcharges
Water Connection Fee - T-Mobile	\$ 543 +	\$284 Lump Sum	1	\$827	3/4" line & meter per work letter. Includes water system surcharges
Water Connection Fee - Dental One	\$ 543 +	\$284 Lump Sum	1	\$827	1" line & meter per Dental One lease work letter. Includes water system surcharges
Water Connection Fee - N/A	\$ - +	\$0 Lump Sum	-	\$0	
Water Connection Fee - Fire	\$ 7,661 +	\$284 Lump Sum	1	\$7,945	Assume 6" fire line. Includes water system surcharges
Water Connection Fee - Irrigation	\$ 543 +	\$284 Lump Sum	1	\$827	3/4" line smallest available. Includes water system surcharges
Water Installation Fees	\$ - +	\$0 Lump Sum	3	\$0	Per building
Water Meter - MF	\$ 165 +	\$861 Lump Sum	1	\$1,026	3/4" meter per MF work letter. Includes inspection fee & extension fees
Water Meter - Panera	\$ 165 +	\$2,769 Lump Sum	1	\$2,934	2" meter per Paneral work letter. Includes inspection & extension fees
Water Meter - T-Mobile	\$ 165 +	\$861 Lump Sum	1	\$1,026	3/4" meter per T-Mobile work letter. Includes inspection & extension fees
Water Meter - Dental One	\$ 165 +	\$861 Lump Sum	1	\$1,026	1" meter per Dental One lease work letter. Includes inspection & extension fees
Water Meter - N/A	\$ 165 +	\$861 Lump Sum	-	\$165	Assume 3/4" line & meter for retail use. Includes inspection & extension fees
Water Meter Fee - Fire	\$ 165 +	\$22,181 Lump Sum	1	\$22,346	Assume 6" fire line. Cost includes inspection & extension fees
Water Meter Fee - Irrigation	\$ 165 +	\$861 Lump Sum	1	\$1,026	3/4" line smallest available. Cost includes inspection & extension fee
Watershed Mgmt Permit (MWRDGC)	\$ 1,100 +	\$1,500 Lump Sum	5	\$8,600	Per MWRDGC fee worksheet and Kimley Horn
Watershed Mgmt Connection Fee (MWRDGC)	\$ - +	\$7,500 per acre	1.64	\$12,300	Per MWRDGC fee worksheet and Kimley Horn
					Potential credit for existing connection from prior restaurant on site (assuming 2" line)
					(\$1,518)
					\$124,922
Subtotal				\$173,543	
Allowance				\$0	0%
TOTAL FEES				\$173,543	07.28.15 dln update per Matt/Sara

NOTE:

Exhibit C includes costs other than permit fees. However, pursuant to Section 4.1 herein, the costs listed on Exhibit C that are reimbursable are restricted to permit fees. Utility line extensions, utility meters and other costs are specifically excluded from reimbursement.

Joint Review Board Minutes

DRAFT

Village of Palatine

Rand/Dundee Tax Increment Financing District
Dundee Road Tax Increment Financing District
Rand Corridor Tax Increment Financing District
Rand/Lake Cook Tax Increment Financing District
Downtown Area Tax Increment Financing District

Meeting of the Joint Review Board

Monday, December 7, 2015 - 3:00 p.m.

Minutes

I. JOINT REVIEW BOARD CALL TO ORDER

Reid Ottesen, Village Representative, called the meeting to order at 3:00 p.m.

II. ROLL CALL OF TAX DISTRICT MEMBERS

Present:

Community Consolidated School District 15
Corey Bultemeier, Director of Fiscal Services
Palatine Park District
Mike Clark, Director
Palatine Public Library District
Anthony Auston, Executive Director
Regina Stapleton, Finance Manager
Township High School District 211
Lauren Hummel, Chief Operating Officer
Village of Palatine
Reid Ottesen, Village Manager
Mike Jacobs, Deputy Village Manager
Paul Mehring, Finance Director
Ray Franczak, Public Member

Absent:

Cook County
Forest Preserve District of Cook County
Illinois Department of Commerce and Economic Opportunity
Long Grove Fire Protection District
Metropolitan Water Reclamation District of Greater Chicago
Northwest Mosquito Abatement District
Township of Palatine
William Rainer Harper Community College District 512

Joint Review Board Minutes

III. NOMINATION FOR AND SELECTION OF PUBLIC MEMBER

Reid Ottesen indicated that Ray Franczak, who had previously served as the Public Member, was in attendance and was willing to again serve on the Joint Review Board. Mike Clark, seconded by Lauren Hummel, nominated Ray Franczak to serve as the Public Member for the Joint Review Board meeting for Monday, December 7, 2015. The motion was approved unanimously.

IV. NOMINATION FOR CHAIR OF THE JOINT REVIEW BOARD

Mike Clark, seconded by Corey Bultemeier, nominated Reid Ottesen as the Chair of the Joint Review Board meeting for Monday, December 7, 2015. The motion was approved unanimously.

V. APPROVAL OF THE NOVEMBER 10, 2014 MINUTES OF THE JOINT REVIEW BOARD

Anthony Auston, seconded by Ray Franczak, moved to approve the November 10, 2014 minutes of the Joint Review Board. The motion was approved unanimously.

VI. ANNUAL REVIEW OF PERFORMANCE

Reid Ottesen explained that all taxing bodies are required to get together once a year to discuss the status of the TIF districts. Reid Ottesen indicated that he would review the projected surplus to be declared from the Dundee Road TIF and Rand/Dundee TIF and that Mike Jacobs would provide an overview of development activity within the Village's TIF Districts over the past year.

- A. DUNDEE ROAD TIF DISTRICT
- B. RAND/DUNDEE TIF DISTRICT
- C. RAND ROAD CORRIDOR TIF DISTRICT
- D. DOWNTOWN AREA TIF DISTRICT
- E. RAND/LAKE COOK TIF DISTRICT

Mike Jacobs provided a brief overview of the development activity that occurred last year, is currently underway, and is anticipated in the coming year. He also noted that the Village had met with Cook County over the past year to review the EAV values and their corresponding impacts on the TIF Districts. The County offered some suggestions that could be made to reduce the impact of those properties where the EAV is dropping. These adjustments should have a positive impact on the cash flow within the TIF Districts in the coming years.

Joint Review Board Minutes

Reid Ottesen distributed a summary chart that outlined the projected surplus distribution by agency for 2016. He noted that future year projections will be reconsidered each year as part of the Village's annual budget review and approval process. He also briefly discussed the anticipated timing for the expiration of the Dundee Road and Rand/Dundee TIF Districts, and suggested the taxing bodies consider over the next year if there is any interest on their part to consider an extension.

VII. ADJOURNMENT

Mike Clark, seconded by Ray Franczak, moved to adjourn the Joint Review Board Meeting at 3:15 p.m. The motion was approved unanimously.

Respectfully submitted,

Michael W. Jacobs
Village of Palatine



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INDEPENDENT AUDITOR'S REPORT ON SUPPLEMENTARY INFORMATION

The Honorable Mayor
Members of the Village Board
Village of Palatine, Illinois

We have audited the financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Palatine, Illinois (the Village) as of and for the year ended December 31, 2015, which collectively comprise the basic financial statements of the Village, and have issued our report thereon dated June 9, 2016, which expressed an unmodified opinion on those statements.

Our audit was conducted for the purpose of forming an opinion on the financial statements that collectively comprise the Village's basic financial statements. The supplementary financial information (schedule of revenues, expenditures and changes in fund balance and schedule of fund balance by source for the Dundee Road tax Increment Financing District Fund, Rand/Dundee Tax Increment Financing District Fund, Downtown Tax Increment Financing District Fund, Rand Road Corridor Tax Increment Financing District Fund and the Rand/Lake Cook Tax Increment Financing District Fund) of revenues, expenditures, and changes in fund balance) is presented for the purpose of additional analysis and is not a required part of the financial statements. The supplementary financial information is the responsibility of management and was derived from and relates directly to the underlying accounting and other records used to prepare the financial statements.

The information has been subjected to the auditing procedures applied in the audit of the financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the financial statements or to the financial statements themselves, and other additional procedures in accordance with auditing standards generally accepted in the United States of America. In our opinion, the information is fairly stated in all material respects in relation to the financial statements as a whole.

Naperville, Illinois
June 9, 2016

A handwritten signature in cursive script, appearing to read 'Sikich LLP'.

Supplementary Information

VILLAGE OF PALATINE, ILLINOIS

TAX INCREMENT FINANCING DISTRICT FUNDS

SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCES

For the Year Ended December 31, 2015

	Dundee Road TIF	Rand/Dundee TIF	Downtown TIF	Rand Road Corridor TIF	Rand/Lake Cook TIF
REVENUES					
Taxes					
Incremental property taxes	\$ 2,597,533	\$ 273,548	\$ 5,150,457	\$ 1,930,177	\$ -
Intergovernmental					
Build america bond interest rebate	-	-	126,852	-	-
Investment income	2,185	311	18,871	329	-
Miscellaneous					
Reimbursements	-	-	-	-	-
Total revenues	2,599,718	273,859	5,296,180	1,930,506	-
EXPENDITURES					
Economic development					
Supplies and services	-	-	5,458	11,730	-
Project expenditures	-	-	39,433	358,885	-
Surplus distribution	735,000	71,000	-	-	-
Capital outlay					
Buildings and facilities	-	-	1,250	-	-
Rights of way improvements	-	-	-	4,239	-
Street improvements	-	-	16,822	-	-
Water system	-	-	-	-	-
Debt service					
Principal retirement	-	-	4,673,148	1,115,000	-
Interest	-	-	1,225,317	630,446	-
Fiscal charges	-	-	5,275	3,100	-
Total expenditures	735,000	71,000	5,966,703	2,123,400	-
EXCESS (DEFICIENCY) OF REVENUES OVER EXPENDITURES	1,864,718	202,859	(670,523)	(192,894)	-
OTHER FINANCING SOURCES (USES)					
Transfers in	-	-	-	750,000	-
Transfers (out)	(750,000)	-	-	-	-
Total other financing sources (uses)	(750,000)	-	-	750,000	-
NET CHANGE IN FUND BALANCE	1,114,718	202,859	(670,523)	557,106	-
FUND BALANCE, JANUARY 1	3,010,436	363,721	3,495,183	8,644,475	(43,615)
FUND BALANCE, DECEMBER 31	\$ 4,125,154	\$ 566,580	\$ 2,824,660	\$ 9,201,581	\$ (43,615)

(See independent auditor's report.)

VILLAGE OF PALATINE, ILLINOIS

TAX INCREMENT FINANCING DISTRICT FUNDS

SCHEDULE OF FUND BALANCES BY SOURCE

For the Year Ended December 31, 2015

	Dundee Road TIF	Rand/Dundee TIF	Downtown TIF	Rand Road Corridor TIF	Rand/Lake Cook TIF
BEGINNING BALANCES, JANUARY 1, 2015	\$ 3,010,436	\$ 363,721	\$ 3,495,183	\$ 8,644,475	\$ (43,615)
ADDITIONS					
Taxes					
Incremental property taxes	2,597,533	273,548	5,150,457	1,930,177	-
Intergovernmental					
Grants	-	-	-	-	-
Build america bond interest rebate	-	-	126,852	-	-
Investment income	2,185	311	18,871	329	-
Miscellaneous					
Reimbursements	-	-	-	-	-
Refunding bonds, issued at par	-	-	-	-	-
Bond premium	-	-	-	-	-
Transfers in	-	-	-	750,000	-
Total additions	2,599,718	273,859	5,296,180	2,680,506	-
BEGINNING BALANCES PLUS ADDITIONS	5,610,154	637,580	8,791,363	11,324,981	(43,615)
DEDUCTIONS					
Economic development					
Supplies and services	-	-	5,458	11,730	-
Project expenditures	-	-	39,433	358,885	-
Surplus distribution	735,000	71,000	-	-	-
Capital outlay					
Buildings and facilities	-	-	1,250	-	-
Rights of way improvements	-	-	-	4,239	-
Street improvements	-	-	16,822	-	-
Debt service					
Principal retirement	-	-	4,673,148	1,115,000	-
Interest	-	-	1,225,317	630,446	-
Fiscal charges	-	-	5,275	3,100	-
Transfers out	750,000	-	-	-	-
Total deductions	1,485,000	71,000	5,966,703	2,123,400	-
ENDING BALANCES, DECEMBER 31, 2015	\$ 4,125,154	\$ 566,580	\$ 2,824,660	\$ 9,201,581	\$ (43,615)
ENDING BALANCES BY SOURCE					
Incremental property taxes	\$ 4,125,154	\$ 566,580	\$ (5,429,139)	\$ 588,123	\$ (43,615)
Investment income	-	-	-	-	-
Investment in land held for resale	-	-	8,253,799	8,613,458	-
Subtotal	4,125,154	566,580	2,824,660	9,201,581	(43,615)
Less Surplus Funds	-	-	-	-	-
ENDING BALANCES, DECEMBER 31, 2015	\$ 4,125,154	\$ 566,580	\$ 2,824,660	\$ 9,201,581	\$ (43,615)

(See independent auditor's report.)



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INDEPENDENT ACCOUNTANT'S REPORT

The Honorable Mayor
Members of the Village Council
Village of Palatine, Illinois

We have examined management's assertion, included in its representation letter dated June 9, 2016 that the Village of Palatine, Illinois (the Village) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2015. Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

Our examination was conducted in accordance with attestation standards established by the American Institute of Certified Public Accountants and, accordingly, included examining, on a test basis, evidence about the Village's compliance with those requirements and performing such other procedures as we considered necessary in the circumstances. We believe that our examination provides a reasonable basis for our opinion. Our examination does not provide a legal determination on the Village's compliance with statutory requirements.

In our opinion, management's assertion that the Village of Palatine, Illinois complied with the aforementioned requirements for the year ended December 31, 2015 is fairly stated, in all material respects.

This report is intended solely for the information and use of the Mayor, the Village Council, management of the Village, the Illinois State Comptroller's Office and the joint review boards and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in cursive script, appearing to read 'Sikich LLP'.

Naperville, Illinois
June 9, 2016