

CITY OF SULLIVAN, ILLINOIS

ORDINANCE NO. 18-8

**AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A FIRST AMENDMENT TO A TIF DISTRICT
REDEVELOPMENT AGREEMENT**

BY AND BETWEEN

THE CITY OF SULLIVAN

AND

**JIM DESMOND
D/B/A McDONALD'S**

AND

JPD ENTERPRISES SULLIVAN, LLC

SULLIVAN TAX INCREMENT FINANCING DISTRICT I

**ADOPTED BY THE CORPORATE AUTHORITIES
OF THE CITY OF SULLIVAN, ILLINOIS
ON THE 14TH DAY OF MAY, 2018.**

CITY OF SULLIVAN, ILLINOIS: ORDINANCE NO. 18-8

**AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF A
FIRST AMENDMENT TO A TIF DISTRICT REDEVELOPMENT AGREEMENT
BY AND BETWEEN:
THE CITY OF SULLIVAN
AND
JIM DESMOND D/B/A McDONALD'S
AND
JPD ENTERPRISES SULLIVAN, LLC**

The Mayor and City Council of the City of Sullivan, Moultrie County, Illinois have determined that this First Amendment to the TIF Redevelopment Agreement is in the best interest of the citizens of the City of Sullivan; therefore, be it ordained as follows:

SECTION ONE: The First Amendment to the TIF Redevelopment Agreement by and between the City of Sullivan and Jim Desmond and JPD Enterprises Sullivan, LLC, collectively Developer, attached hereto is hereby approved.

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

SECTION THREE: The First Amendment to the TIF Redevelopment Agreement shall be effective the date of its approval on the 14th day of May, 2018.

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

PASSED, APPROVED & ADOPTED by the Corporate Authorities of Sullivan this 14th day of May, 2018 and filed in the office of the City Clerk of said City on that date.

CORPORATE AUTHORITIES	AYE VOTE	NAY VOTE	ABSTAIN / ABSENT
Mike Mossman	X		
Mike Kirk	X		
Grant Wade	X		
Jerry Risley			X
Ann Short, Mayor	X		
TOTAL VOTES:			

APPROVED: Ann G. Short, Date 5 / 14 / 2018
Mayor, City of Sullivan

ATTEST: Monte A. Johnson, Date: 5 / 14 / 2018
City Clerk, City of Sullivan

**CITY OF SULLIVAN
TAX INCREMENT FINANCING DISTRICT I**

**FIRST AMENDMENT TO THE
TIF REDEVELOPMENT AGREEMENT**

by and between

CITY OF SULLIVAN, MOULTRIE COUNTY, ILLINOIS

and

**JIM DESMOND
D/B/A McDONALD'S**

and

JPD ENTERPRISES SULLIVAN, LLC

MAY 14, 2018

**FIRST AMENDMENT TO THE
TIF REDEVELOPMENT AGREEMENT**

CITY OF SULLIVAN, ILLINOIS
and
JIM DESMOND D/B/A McDONALD'S
and
JPD ENTERPRISES SULLIVAN, LLC

THIS FIRST AMENDMENT TO A TIF REDEVELOPMENT AGREEMENT (the “First Amendment”) is dated this 14th day of May, 2018 by and between the City of Sullivan (“City”), an Illinois Municipal Corporation, Moultrie County, and Jim Desmond and JPD Enterprises Sullivan, LLC (collectively the “Developer”).

RECITALS

WHEREAS, on December 29, 1986, the City by its duly elected Mayor and City Council heretofore adopted a Redevelopment Plan and Projects; designated a Redevelopment Project Area; and adopted Tax Increment Financing pursuant to the Tax Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et. seq.*, known as Sullivan TIF District I (“TIF District”); and

WHEREAS, Sullivan TIF District I has been legislatively extended for an additional twelve (12) years for a total of thirty-five (35) years, through December 31, 2022; and

WHEREAS, on May 8, 2006, the City and Jim Desmond entered into a Redevelopment Agreement (the “Original Agreement”), wherein the City agreed to extend incentives to provide reimbursement of certain Redevelopment Project Costs (“TIF Eligible Project Costs”) for the Developer’s Project for certain property owned by the Developer located at 11 W. Jackson Street (PIN #s 08-08-02-406-007 and 08-08-02-406-009) (the “Property”); and

WHEREAS, the Developer previously agreed to remodel the existing McDonald’s restaurant located on the Property based on the availability of TIF incentives offered by the City (the “Project”); and

WHEREAS, the Developer now has plans to further remodel the existing McDonald’s restaurant located on the Property (the “2018 Remodel Project”) and anticipates that JPD Enterprises Sullivan, LLC will also incur substantial TIF Eligible Project Costs in connection with the 2018 Remodel Project; and

WHEREAS, Jim Desmond has requested that JPD Enterprises Sullivan, LLC be added as a party to the Original Agreement so that JPD Enterprises Sullivan, LLC may also be reimbursed for its TIF Eligible Project Costs incurred in connection with the 2018 Remodel Project; and

WHEREAS, the City hereby agrees to include JPD Enterprises Sullivan, LLC as a Developer under the Original Agreement provided the total amount paid to the Developers from the “net” real estate tax increment shall not exceed the total cumulative amount of **Two Hundred Fifteen Thousand One Hundred Seventy Dollars and No Cents (\$215,170)** as set forth in the Original Agreement; and

WHEREAS, it is the intent of the City to encourage economic development which will increase the real estate tax base of the City, which increased taxes will be used, in part, to finance incentives to assist development within the Tax Increment Financing District; and

WHEREAS, the City has the authority under the Act to reimburse Developer for TIF Eligible Project Costs as a result of the Developer's Project; and

WHEREAS, the Parties agree to amend the terms of the Original Agreement executed on May 8, 2006, as set forth below.

AGREEMENT

A. AMENDED "PREAMBLE"

The twelfth paragraph of the *Preamble* shall be deleted and replaced in its entirety with the following:

WHEREAS, the parties have agreed to segregate within the Tax Increment Redevelopment Fund: **Fifty percent (50%)** of the net incremental increases in real estate taxes derived from this Developer's Project through and including tax year 2016 payable 2017; and **Seventy-five percent (75%)** of the net incremental increases in real estate taxes derived from this Developer's Project for tax years 2017 payable 2018 through and including tax year 2021 payable 2022, or up to the remaining balance of the Developer's TIF eligible project costs (see Exhibit 1), whichever occurs first. Net increment is defined as real estate tax increment derived from the Developer's Project as previously described after payment of administrative fees and costs and payments pursuant to Intergovernmental Agreements if any. The City will establish a separate account within the Special Tax Allocation Fund for this TIF District designated as the "**Jim Desmond Special Account**" ("Special Account"). All monies deposited to this Special Account shall be used exclusively by the City for the purposes set forth in this Agreement; and

B. AMENDED "C. INCENTIVES"

Paragraph 1 of Section C of the Original Agreement shall be deleted and replaced in its entirety with the following:

1. **Fifty percent (50%)** of the net incremental increases in real estate taxes generated over the base year amount by the Developer's Project through and including tax year 2016 payable 2017; and **Seventy-five percent (75%)** of the net incremental increases in real estate taxes generated over the base year amount by the Developer's Project for tax years 2017 payable 2018 through and including tax year 2021 payable 2022, in a total amount not to exceed **\$215,170** (see Exhibit 1). These funds are to be allocated to and when collected shall be paid by the City Treasurer for deposit in a separate account within the Special Tax Allocation Fund for this TIF District designated as the "**Jim Desmond Special Account**" ("Special Account"). All monies deposited to this Special Account shall be used exclusively by the City for the purposes set forth in this Agreement.

Section C of the Original Agreement is hereby amended by adding the following *Paragraph 3*:

3. As of the date of this Amendment, the Developers, Jim Desmond and JPD Enterprises Sullivan, LLC, hereby direct the City to make all future reimbursements for TIF Eligible Project Costs (whether incurred by Jim Desmond or JPD Enterprises Sullivan, LLC) to JPD Enterprises Sullivan, LLC.

C. PRIOR AGREEMENT TERMS APPLY

All terms of the Original Agreement shall apply to this First Amendment and remain effective unless specifically modified by this First Amendment.

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

CITY

**City of Sullivan, an
Illinois Municipal Corporation**

BY: _____
Mayor, City of Sullivan

ATTEST: _____
City Clerk

DEVELOPER

Jim Desmond

**JPD Enterprises Sullivan, LLC, an Illinois
Limited Liability Corporation**

BY: _____

TITLE: _____