



HOFFMAN ESTATES

GROWING TO GREATNESS

June 28, 2021

TO: ALL TAXING DISTRICTS ON ATTACHED LIST

FROM: RACHEL MUSIALA, DIRECTOR OF FINANCE

SUBJECT: GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT ANNUAL REPORT

In accordance with 65 ILCS 5/11-74.4-5-(d), the Village of Hoffman Estates is transmitting to all affected taxing districts the 2020 Annual Report of the Golf, Higgins and Roselle Road Tax Increment Financing District. This TIF was created in May, 2003 and will expire in May, 2026.

Any questions regarding this report can be directed to my attention.

Rachel Musiala
Director of Finance

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT

DISTRIBUTION LIST

COOK COUNTY CLERK'S OFFICE

118 North Clark Street
Chicago, IL 60602
clerk.yarbrough@cookcountyil.gov

NORTHWEST MOSQUITO ABATEMENT DISTRICT

147 West Hintz Road
Wheeling, IL 60090
James Thennisch, Director
jthennisch@nwmadil.com
Eva Migacz, Office Manager
office@nwmadil.com

METROPOLITAN WATER RECLAMATION DISTRICT

100 East Erie Street
Chicago, IL 60611
Shellie Riedle, Budget Officer
riedles@mwrd.org

PALATINE-SCHAUMBURG HIGH SCHOOL DISTRICT #211

1750 S. Roselle Road
Palatine, IL 60067
Lisa Small, Superintendent
lsmall@d211.org
Lauren Hummel, Chief Operating Officer
lhummel@d211.org

HARPER COLLEGE DISTRICT #512

1200 W. Algonquin Road
Palatine, IL 60067
Ron Galick, Exec. V.P. of Finance/Adm Svcs.
rgalick@harpercollege.edu
Dulse Barraza, Exec. Asst. Finance & Admin Svcs.
dbarraza@harpercollege.edu
Robert Grapenthien, Controller
rgrapent@harpercollege.edu

SCHAUMBURG TOWNSHIP

One Illinois Blvd
Hoffman Estates, IL 60169
Suzanne McVey, Administrator
smcvey@schaumburgtownship.org
Timothy M. Heneghan, Supervisor
theneghan@schaumburgtownship.org

FOREST PRESERVE DISTRICT OF COOK COUNTY

536 N. Harlem Avenue
River Forest, IL 60305
Arnold Randall, General Superintendent
arnold.randall@cookcountyil.gov

HOFFMAN ESTATES PARK DISTRICT

1685 West Higgins Road
Hoffman Estates, IL 60169
Nicole Hopkins, Deputy Director/Admin & Finance
nhopkins@heparks.org
Craig Talsma, Executive Director
ctalsma@heparks.org

SCHAUMBURG TOWNSHIP DISTRICT LIBRARY

130 South Roselle Road
Schaumburg, IL 60193
Annie Miskewitch, Executive Director
amiskewitch@stdl.org
Elizabeth Valenziano, Finance Director
evalenziano@stdl.org

COMMUNITY SCHOOL DISTRICT #54

524 E. Schaumburg Rd
Schaumburg, IL 60194
Ric King, Asst. Superintendent of Business Operations
RicKing@sd54.org
Andrew DuRoss, Superintendent
andyduross@sd54.org

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020
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VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020
REDEVELOPMENT PLAN AMENDMENTS

During the year ending December 31, 2020, there were no amendments made to the Redevelopment Plan and Project.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

CERTIFICATE OF COMPLIANCE

I, William D. McLeod, duly elected Village President of the Village of Hoffman Estates, State of Illinois, do hereby certify that the Village of Hoffman Estates has complied with all requirements pertaining to the Tax Increment Redevelopment Allocation Act during the fiscal year January 1, 2020 through December 31, 2020.

6/18/2021
Date

William D. McLeod
William D. McLeod
Village President

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020
CERTIFICATE OF COMPLIANCE

[See Attachment]

THE LAW OFFICE OF
ARTHUR JANURA, P.C.

2123 MULGUY COURT | INVERNESS, IL 60010
O:224.655.7615 C:224.210.4593 | JANURALAW@GMAIL.COM

March 26, 2021

The Honorable Susana A. Mendoza
Illinois Comptroller
James R. Thompson Center
100 West Randolph Street, Suite 15-1500
Chicago, IL 60601-3252

**Re: Village of Hoffman Estates
Golf, Higgins and Roselle TIF District
2020 Compliance**

Dear Comptroller Mendoza:

Subject to the qualifications and limitation herein, we are of the opinion that, for the period of January 1, 2020 to December 31, 2020, we are not aware of any material violation by the Village of any of the applicable requirements of the Illinois Tax Increment Redevelopment Allocation Act (the "Act") except for the annual meeting of the Joint Review Board.

Whenever we indicate that our opinion with respect to the existence or absence of facts is based on our knowledge, our opinion is based solely on the current actual knowledge of Arthur L. Janura. We have made no independent investigation as to such factual matters. We have not undertaken to identify or review any facts which could constitute any potential non-compliance by the Village under the Act.

This opinion is given as of the date hereof and we undertake no obligation to advise you or anyone else of any subsequent changes in any matter stated herein, changes in any law related thereto or changes in facts or any other matters that hereafter may occur or be brought to our attention. The opinion expressed herein is specifically limited to the laws of the State of Illinois and the Federal laws of the United States and no opinion express or implied, is rendered as to the effect that the law of any other jurisdiction might have upon the subject matter of the opinion expressed herein.

This opinion is rendered solely to the addressee hereof and is not to be quoted in whole or in part or otherwise referred to nor is it to be filed with any governmental agency or any other person nor is it intended to be relied upon, nor may it be relied upon, by any entity or individual other than such addressee without the prior written consent of this firm. No opinion may be inferred or implied beyond the matters expressly contained herein.

Very truly yours,

 P.C.
Arthur Janura P.C.

AJ/ds

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT

ANNUAL REPORT

FOR THE YEAR ENDED DECEMBER 31, 2020

STATEMENT OF RECEIPTS, DISBURSEMENTS
AND CHANGES IN FUND BALANCE
FOR THE YEAR ENDED DECEMBER 31, 2020

Receipts	
Property Tax	\$ 586,534
Interest Earnings	1,121
Other Income	11,041
Sub-total	<u>598,696</u>
Disbursements	
Legal Services	\$ 9,067
Other Contractual Services	2,800
Sub-total	<u>11,867</u>
Excess (Deficit) of Receipts over Disbursements	<u>\$ 586,829</u>
Balance, January 1, 2020	<u>\$ 1,061,133</u>
Balance, December 31, 2020	<u>\$ 1,647,962</u>
Ending Balance By Source:	
Property Taxes	\$ 1,647,962
Ending Balance, December 31, 2020	<u>\$ 1,647,962</u>

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

STATEMENT OF FUND BALANCE BY SOURCE AND YEAR

SOURCE YEAR

<u>2020</u>		
Property Taxes	\$	586,534
Interest		295
<u>2019</u>		
Property Taxes		349,785
<u>2018</u>		
Property Taxes		455,640
<u>2017</u>		
Property Taxes		146,573
<u>2016</u>		
Property Taxes		109,135
Total Fund Balance, December 31, 2020	\$	<u><u>1,647,962</u></u>

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

STATEMENT OF EQUALIZED ASSESSED VALUE (EAV)
AND INCREMENTAL TAX REVENUES

Initial EAV of the Redevelopment Project Area	\$ 23,150,789
2019 EAV of the Redevelopment Project Area	\$ 28,562,460
Incremental Revenues Received During 2020	\$ 586,534
Incremental Revenues Received in Previous Year	\$ 349,785
Increase (Decrease) in Incremental Revenues	\$ 236,749
Breakdown of Change by Taxing District:	
Cook County	\$ 10,705.55
Consolidated Elections	707.41
Cook County Forest Preserve	1,391.14
Schaumburg Township	2,287.23
General Assistance - Schaumburg	353.70
Road & Bridge - Schaumburg	707.41
Village of Hoffman Estates	32,470.60
School District #54	83,593.23
Palatine Township High School District #211	64,823.06
Harper College District #512	9,502.87
Hoffman Estates Park District	13,865.44
Schaumburg Township Library District	6,932.72
Metropolitan Water Reclamation District	9,172.84
Northwest Mosquito Abatement District	235.80
TOTAL	<u>\$ 236,749.00</u>

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

STATEMENT OF PROPERTY PURCHASED

During the year ended December 31, 2020, the Village of Hoffman Estates did not purchase any property within the redevelopment project area.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

REDEVELOPMENT ACTIVITIES

In 2020, Village of Hoffman Estates staff has worked to improve the Golf Center, Hoffman Plaza Shopping Centers and subsequent outlots in the Roselle Road TIF. Economic activities in 2020 included the promotion of the district in various video productions, on social media, and in other advertising outlets since the annual tradeshow did not occur due to the COVID pandemic. Various networking and business development events throughout the year were attended virtually by the Economic Development Director and other staff members..

By the end of 2020, Golf Center was nearly fully leased, as Robin Realty, the center owner, worked to retain and attract tenants during the pandemic.

Sterling Organization, the owner of Hoffman Plaza, worked to redevelop the center by completing construction on an outlot on the south side of the center with a drive-thru for Dairy Queen to open in 2021. Sterling also received approval for another outlot along Roselle Road to build a Banfield Pet Hospital in 2021.

The Village entered into a redevelopment agreement with the property owner of 80 West Higgins Road to tear down the former Hoffman Lanes Bowling Alley building which has stood vacant for six years. This will make way for a new development and improve the stormwater system along Roselle Road.

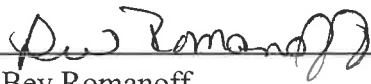
Lastly, the Village entered into a purchase and sale agreement with an owner and operator of Popeye's Louisiana Kitchen to build a fast food restaurant at 75-85 East Golf Road. The developer plans to receive entitlements and begin construction in 2021.

VILLAGE OF HOFFMAN ESTATES, ILLINOIS
GOLF, HIGGINS AND ROSELLE ROAD TIF DISTRICT
ANNUAL REPORT
FOR THE YEAR ENDED DECEMBER 31, 2020

STATEMENT OF INDEBTEDNESS

In 2020, the Village of Hoffman Estates entered into a redevelopment agreement with W-T Properties Schaumburg I, LLC in an amount not-to-exceed \$2,393,970.64 for completing demolition of the building at 80 W Higgins Road and improving stormwater utilities along Higgins Road within the TIF. All newly committed obligations would be payable from the Golf, Higgins and Roselle Road TIF District.

6/18/2021
Date


Bev Romanoff
Village Clerk

REDEVELOPMENT AGREEMENT

THIS REDEVELOPMENT AGREEMENT (“Agreement”), dated this 19th day of October, 2020 (“Date of the Agreement”), is made by and between the **VILLAGE OF HOFFMAN ESTATES**, Cook and Kane County, Illinois, an Illinois municipal corporation and home rule unit of local government (the “Village”) and **W-T PROPERTIES SCHAUMBURG I, LLC**, an Illinois limited liability company (“Developer”). The Village and Developer are each hereinafter referred to as a “Party” and collectively as the “Parties”.

RECITALS

WHEREAS, the Village is a duly constituted and existing municipality within the meaning of Section 1 of Article VII of the 1970 Constitution of the State of Illinois and is a “home rule unit” under Section 6(a) of Article VII of the 1970 Constitution; and

WHEREAS, the Village has the authority to promote the health, safety and welfare of the Village and its inhabitants, to encourage private development in order to enhance the local tax base, create employment and ameliorate blight, and to enter into contractual agreements with third persons to achieve these purposes; and

WHEREAS, the Village has determined that a portion of twin 54” storm water drainage pipes (“54-Inch Pipes”) presently running under and through the area located east of Roselle Road, north of Higgins Road, west of Apple Street and south of the Hoffman Plaza access drive along Roselle Road (“Shopping Center Site”) with PIN #07-15-200-035-0000, 07-15-200-036-0000, 07-15-200-037-0000, and 07-15-200-027-0000, as legally described in **EXHIBIT A** have substantially deteriorated and require replacement; and

WHEREAS, Developer has agreed to replace and relocate the 54-Inch Pipes on the Shopping Center Site and complete additional stormwater improvement work on the properties at 80 W Higgins Road (07-15-101-005-0000) (“Former Bowling Alley Site”), 07-15-101-021-0000 (“Golf Center Site”), 1000 N Roselle Road (07-15-101-004-0000) (“Walgreens Site”), and 2 E Higgins Road (07-15-200-023-0000) (“Former Shell Site”) to improve flood plain and drainage issues along Higgins Road (the “Storm Sewer Work”) substantially in accordance with the Concept Pipe Construction Plans (“Concept Plans”) attached hereto and incorporated herein as **EXHIBIT B** (The Shopping Center Site, Former Bowling Alley Site, Golf Center Site, Walgreens Site and Former Shell Site may hereinafter collectively be referred to as the “Site”); and

WHEREAS, Developer is the owner of the Former Bowling Alley Site as legally described in **EXHIBIT C**, which has remained vacant since 2014 despite efforts to reoccupy the site, and desires to demolish the outdated building to prepare the site for redevelopment (“Demolition Work”) (The Storm Sewer Work and Demolition Work are hereinafter collectively referred to as the “Work”, unless otherwise specified.)

WHEREAS, in order to induce the Developer to perform the Work, as described more particularly in this Agreement, the President and Board of Trustees of the Village have determined that it is in the best interest of the Village to reimburse to the Developer an amount not to exceed Two Million Three Hundred Ninety-three Thousand Nine Hundred Seventeen and 64/100 Dollars

(\$2,393,917.24) of actual, documented, TIF eligible costs (the "Village Reimbursements") as further described and provided in Article III below; and

WHEREAS, but for the Village Reimbursements, the Developer could not successfully complete the Work in the manner provided within this Agreement; and

WHEREAS, the Developer will enter into private and public agreements with the property owners of property effected by the Work prior to beginning any construction, as listed in **EXHIBIT D**, where the Work is to be performed so as to receive written permission from the owners to complete the Work; and

WHEREAS, the President and Board of Trustees of the Village, after due and careful consideration, have determined that the completion of the Work by the Developer required by this Agreement and the payment by the Village of the applicable Village Incentives will improve the environment of the Village, foster increased economic activity within the Village, and otherwise be in the best interests of the Village and the health, safety, morals and welfare of its residents and taxpayers.

NOW THEREFORE, in consideration of the foregoing recitals, the mutual covenants and promises and payment of money as contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which are acknowledged, the Parties agree as follows:

ARTICLE I INCORPORATION OF RECITALS

The foregoing recitals are material to this Agreement and are incorporated into and made a part of this Agreement as though they were fully set forth in this Article I.

ARTICLE II REDEVELOPMENT PROJECT

Section 201. Plans; Permitting.

(a) The Work required to be performed by the Developer under this Agreement shall consist of the replacement and relocation of the 54-Inch Pipes and reconfiguration of the regional storm sewer network on the Site, and demolition of the building on the Bowling Alley Site.

(b) The Developer has submitted the Concept Plans, herein defined, for the Work to the Village in accordance with the provisions of this Agreement. The Developer shall provide the Village with copies of all construction contracts for the Work after awarding said contracts.

(c) Within sixty (60) days following the Date of the Agreement, Developer will commence or cause to commence preparation of and thereafter submit final Construction Plans for the Storm Sewer Work (as same may be modified in accordance with this Agreement, the "Construction Plans") to the Village for approval in accordance with the rules, regulations and ordinances of the Village.

(d) In all events, except as stated in Section 203, the Developer shall achieve completion of the Work within two (2) years of the Date of the Agreement. Developer shall begin construction within one (1) year of the Date of the Agreement.

(e) The Parties acknowledge that the plans exhibited to this Agreement are conceptual in nature and will be subject to further modification and refinement, provided same such modification and refinement shall not have a material detrimental impact on the scope or utility of the Work.

(f) Before commencement of construction of the Work, Developer or its contractors or representatives shall, at their expense, secure or cause to be secured any and all applicable permits that may be required for the Work or for the portion of the Work to be performed, as required by Village ordinances, and any other governmental agencies having jurisdiction over such Work, or such portion of the Work being performed, including, without limitation, any applications and permits which may be required to be obtained from any local, federal or state environmental protection agency, the Metropolitan Water Reclamation District of Greater Chicago, or from any other agency which may have or exercise any jurisdiction of any type whatsoever which may affect the Site. The Village shall not oppose any such application pending before another governmental body or agency, provided such application is consistent with all Legal Requirements (as defined below), subject to applicable variances as may be required for the construction of the Work in accordance with the Concept Plans approved by the Village. The Village shall provide reasonable assistance to Developer in securing such permits and shall promptly issue all approvals and permits in accordance with Village Code required to be issued by the Village, and agrees to sign other permits, documents or plats which require execution by the Village, provided such permits, documents or plats comply with all Legal Requirements, subject to applicable variances as may be required for the construction of the Work in accordance with the Concept Plans approved by the Village.

(g) The Work shall comply with all applicable federal, state, county, municipal or administrative laws, ordinances, rules, regulations, codes and orders, subject to applicable variances, as the case may be (collectively, the "Legal Requirements") relating in any manner to the Work, including, without limitation, all environmental laws and the Americans With Disabilities Act.

(h) The Developer shall carry out the Work and development in conformity with all applicable federal, state, county and local laws and ordinances, including all applicable federal and state standards and regulations.

Section 202. Construction Commencement and Completion.

(a) The Developer shall proceed with commercially reasonable diligence to cause construction of the Work as and when required by this Agreement. The Work shall be completed as required herein.

(b) Subject to the terms, conditions and provisions provided below, the Developer has the following general responsibilities (which are not all inclusive) for the planning, design, development, construction and installation of the Work (with the technical assistance of such qualified outside consultants and contractors as the Developer, in its discretion, may retain):

- (i) providing qualified field personnel for inspecting and reviewing the Work progress and construction of the Work, including final inspection and certification by Developer that, to the best of its knowledge, all Work, as constructed, conforms with the approved final project documents;
- (ii) attending project coordination and progress meetings among the Developer and Village as deemed necessary from time to time at the request of the Village and maintaining and distributing memorandum notes concerning all such meetings, including confirmations of decisions, reports and correspondence, together with the performance of appropriate administrative duties to accomplish appropriate follow-up;
- (iii) providing, either alone or in conjunction with the Developer's advisers and consultants, the appropriate coordination of all planning and construction of the Work, including the directing and scheduling of construction, all field inspections, tests, surveys and other activities related to the Work;
- (iv) furnishing to the Village "as built" plans which shall show the location of any new or relocated utilities or improvements on the Site; and
- (v) securing all authorizations, permits and licenses, including those of a temporary nature, as may be necessary for the construction and intended use of the Work.

(c) Developer, at its expense, will engage the services of architects, soil engineers, structural engineers, and other design consultants, as Developer shall deem necessary and appropriate, to prepare the Final Project Documents.

Section 203. Force Majeure. Time is of the essence of this Agreement; however, a Party shall not be deemed in material breach of this Agreement with respect to construction of the Work if such Party fails to timely perform the same and such failure is due in whole or in part to war, acts of God, strikes, labor disputes, casualty, delay in issuance of necessary permits or authorizations by any governmental body, including but not limited to the Village, through no fault of the Developer or similar causes beyond the reasonable control of such Party (each, a "Force Majeure Event"); provided, however, the inability of a Party to pay or perform any obligation of such Party due to the insufficiency or unavailability of funds or the financial condition of such Party shall not be deemed to constitute a Force Majeure Event hereunder. If one of the foregoing Force Majeure Events shall occur or either Party shall claim that such an event shall have occurred, the Party to whom such claim is made shall investigate same and consult with the Party making such claim regarding the same and the Party to whom such claim is made shall grant an extension for the performance of the unsatisfied obligation equal to the period of the delay, which period shall commence to run from the time of the commencement of the Force Majeure Event, provided that the failure of performance was reasonably caused by such Force Majeure Event. Notwithstanding the foregoing provisions of this section, except for delays caused by a government shutdown or inability to obtain materials, equipment or labor resulting from a public health crisis or pandemic, including the COVID-19 virus, all Work shall be completed within two (2) years of the Date of

the Agreement. Developer acknowledges the Work can occur despite the COVID-19 pandemic in effect at the time of the Effective Date and understands the pandemic is not a Force Majeure Event.

Section 204. Environmental Remediation Delays. Time is of the essence of this Agreement. In the event of the discovery of environmental conditions, the Developer shall, within two (2) weeks of said discovery, inform the Village of the discovery and of the anticipated delay associated with remediation of such conditions. The completion date shall be extended by the length of such period of remediation. The foregoing notwithstanding, the Developer does not hereby undertake any obligation or liability whatsoever with respect to the Existing Shell Contamination, or the remediation thereof, including, without limitation, any LUST Closure Activities.

A portion of the Shopping Center site, and specifically the Former Shell Site, was previously the subject of an EPA environmental remediation project undertaken by the owners of the site. It is the Parties' understanding that Shell Oil retains responsibility for any additional environment remediation resulting from their prior use of the site. If contaminated soil are encountered during construction, such work shall immediately cease and Shell Oil shall be contacted by the Developer immediately so they may provide the necessary remediation as the project proceeds.

ARTICLE III VILLAGE INCENTIVES

Section 301. Type and Amount of Village Reimbursements. The Village Reimbursements shall consist of the reimbursement of TIF expenses from the Roselle Road Tax Increment account only to the extent the revenues are available, of an amount up to but not to exceed Two Million Three Hundred Ninety-three Thousand Nine Hundred Seventeen and 64/100 Dollars (\$2,393,917.64) for the Work, of the actual, documented, eligible TIF Costs as described in Section 302(c).

Section 302. Reimbursement for Costs.

(a) A maximum reimbursement amount shall be set for each Phase of the Work. Phase I reimbursement shall not exceed Two Hundred Sixty-five Thousand Nine Hundred and 00/100 Dollars (\$265,900.00) for the Demolition Work, Phase II reimbursement shall not exceed One Million Three Hundred Twenty-two Thousand Seven Hundred Nineteen and 38/100 Dollars (\$1,322,719.38) for the Storm Sewer Work on the east side of Roselle Road, Phase III reimbursement shall not exceed Five Hundred Eighty-seven Thousand Six Hundred Sixty-nine and 38/100 Dollars (\$587,669.38) for the Storm Sewer Work on the west side of Roselle Road, and a contingency fee reimbursement for any Phase which shall not exceed Two Hundred Seventeen Thousand Six Hundred Twenty-eight and 88/100 Dollars (\$217,628.88), and all payments shall be made subject to availability of TIF funds. A complete breakdown of estimated costs for each phase of the Work is attached as **EXHIBIT E**. No reimbursement for any Phase shall be paid until the Phase has been completed and a Request for Reimbursement has been submitted in accordance with paragraph (d) of this Section 302.

(b) The Developer shall advance all funds and all costs necessary to (i) complete the Work as and when required and in accordance with this Agreement and (ii) undertake other matters eligible for reimbursement pursuant to this Agreement in connection with the Work.

(c) For purposes of this Agreement, eligible “Costs” shall mean the actual documented hard and soft TIF eligible costs, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.*, as amended (the “Act”), paid to third parties and actually expended by the Developer to fully and totally complete the Work in accordance with the Final Project Documents, or any modification to same permitted hereunder or otherwise agreed to in writing by the Parties, as amended.

(d) Reimbursement to the Developer: To establish a right of reimbursement for specific Costs under this Agreement, the Developer shall submit to the Village Manager, following completion of each Phase of the Work as outlined in Section 303, the following documents, in accordance with the Act:

- (i) Good and sufficient final waivers of lien with respect to the payment requested.
- (ii) Bills, paid invoices and/or other proof of payment, as reasonably acceptable to the Village, for all Costs theretofore incurred and for which payment is requested.
- (iii) A contractors sworn statement and/or certification by an architect, engineer or design consultant, as may be applicable, that the Work for which payment is requested has been completed in accordance with the Final Project Documents, and that Developer was obligated to make the payments for which the reimbursement was sought.
- (iv) A completed spreadsheet organizing (i), (ii), and (iii) of this section, as found in **EXHIBIT F** (“Reimbursement Documentation Format”).
- (v) A request for reimbursement in the form attached to this Agreement as **EXHIBIT G** (“Request for Reimbursement”) setting forth the amount of the reimbursement requested and the specific Costs for which the reimbursement is sought, subject to Section 301.

(e) All records with respect to the administration of the construction of the Work shall be created and maintained in a manner reasonably satisfactory to the Village and which will facilitate a ready determination as to whether or not a particular item of cost is eligible for Reimbursement pursuant to this Agreement. The Village shall have forty-five (45) days after receipt of any complete Request for Reimbursement from the Developer to approve or disapprove any of the expenditures for which the reimbursement is sought in such request. If any Request for Reimbursement is disapproved, the Village must provide the Developer, in writing and in detail, with an explanation as to why such request was disapproved. The Village shall pay the Village Reimbursements to Developer within thirty (30) days after the Village’s approval of Developer’s Request for Reimbursement. With regard to a Request for Reimbursement of the final payment, the sum of ten percent (10.0%) shall be retained by the Village until after the map revisions have been completed with the Metropolitan Water Reclamation District.

Section 303. Conditions Precedent for Reimbursement Payments. Developer may not submit a Request For Reimbursement prior to completion of: (1) for Phase I, demolition of the Former Bowling Alley Site; (2) for Phase II, Construction of the 54-inch Pipes on the west side of Roselle Road; and (3) for Phase III, construction of the 54-Inch Pipes on the east side of Roselle Road ("Phases").

Section 304. Holdback for Other Code Violations on the Site. Notwithstanding any other provision of this Agreement, if, as of the date the Village reimbursements are due or to be paid to the Developer under this Agreement, the Village shall have notified the Developer of any code violation(s) with respect to the Site, the following shall apply: (1) the Village may withhold from the payment of the Village reimbursements the costs to cure such violation(s), as reasonably estimated by the Village, and (2) such amount withheld by the Village shall be paid to the Developer within thirty (30) days following the cure of such code violation(s) by the Developer, as demonstrated to the reasonable satisfaction of the Village.

ARTICLE IV SPECIAL COVENANTS OF THE DEVELOPER

Section 401. Compliance with Laws. The Developer represents and warrants to the Village, both as of the date of execution and delivery of this Agreement and until completion of the Work or earlier termination of this Agreement, as follows:

(a) The Developer represents and warrants that the Work completed by Developer hereunder shall be fully completed in a good and workmanlike manner in accordance with all applicable federal, state and county laws and regulations and the Village codes, ordinances and regulations, including but not limited to all local zoning ordinances and regulations that are applicable to the Work, subject to applicable variances as may be required for the construction of the Work.

(b) The Developer further certifies that:

(i) It is not barred from contracting with any unit of state or local government as a result of violating Section 33E-3 or 33E-4 of the Illinois Criminal Code (720 ILCS 5/33E-3 and 33E-4).

(ii) It shall comply with the Illinois Drug Free Work Place Act.

(iii) It shall comply with the Equal Opportunity Clause of the Illinois Human Rights Act and the Rules and Regulations of the Illinois Department of Human Rights.

(iv) It shall comply with the Americans with Disabilities Act and Article 2 of the Illinois Human Rights Act (775 ILCS 5/2-101 et seq.).

(v) Any construction contracts entered into by the Developer relating to the construction of the Work shall require all contractors and subcontractors to comply with the Illinois Fair Employment Practices Act.

(vii) The Developer shall comply with all applicable federal laws, state laws and regulations including without limitation, such laws and regulations relating to minimum wages to be paid to employees, limitations upon the employment of minors, minimum fair wage standards for minors, payment of wages due employees, and health and safety of employees. The Developer agrees to pay its employees, if any, all rightful salaries, medical benefits, pensions and social security benefits pursuant to federal and state statutes, and further agrees to make all required withholdings and deposits therefore. The Developer agrees to maintain full compliance with changing government requirements that govern or apply to the construction of the Work, if and to the extent required by applicable Legal Requirements. The Developer understands and agrees that the most recent of such federal, county, state, and local laws and regulations will govern the administration of this Agreement at any particular time. Likewise, new federal, county, state and local laws, regulations, policies and administrative practices may be established after the date of the Agreement has been executed and may apply to this Agreement and the Work. A copy of any lawsuit or complaint of violation of laws that is received by the Developer relative to this Agreement or the Work shall be immediately forwarded to the Village Manager.

Section 402. Intentionally Blank

Section 403. Indemnification of Village. The Developer, and any successor in interest to the Developer, shall defend, indemnify and hold harmless the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees, from and against any and all civil liabilities, actions, responsibilities, obligations, losses, damages and claims, and all costs and expenses, including but not limited to attorney's fees and expenses (collectively, "Losses") pursuant to any federal, state and local laws including the common law, statutes, ordinances, rules, regulations and other requirements relating to or which the Village and/or its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees may incur from or on account of Developer's construction of the Work, including but not limited to any Losses incurred which are based on tort law, wrongful death and/or a personal injury claim, suit or action and/or any Losses relating to environmental investigation, cleanup, or abatement, whether asserted or unasserted, direct or indirect, existing or inchoate, known or unknown, having arisen or to arise in the future, and in any manner whatsoever incurred by reason of Developer's or its worker's activities in connection with the Work; provided, however, that the foregoing shall not be construed to require the Developer to indemnify any party against any Losses arising out of the negligence or the willful act of or the breach of this Agreement by the Village or its elected or appointed officers or officials, trustees, agents, volunteers, representatives and/or employees. The Developer shall have no liability for any consequential damages suffered either by Village or its elected or appointed officers or officials, trustees, agents, volunteers, representatives and/or employees. It is expressly understood, agreed upon and the specific intent of this Agreement that the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees will at no time assume responsibility or liability for the actions of Developer or any of the workers or other persons on the Site. As between the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees and Developer, Developer shall at all times be held solely responsible to all persons on the Site present there because of the Work thereon.

Section 404. Insurance.

(a) The Developer, and any successor in interest to the Developer, shall obtain or cause to be obtained prior to the commencement of construction of any portion of the Work and continuously maintain through final completion of the Work or earlier termination of this Agreement (and shall provide a copy of all policies to the Village with proof that the premiums for such insurance have been paid and the insurance is in effect), the insurance coverage described below:

(i) During construction of the Work, workers compensation insurance with statutory coverage.

(ii) Comprehensive general liability insurance (including operations, contingent liability, operations of subcontractors, completed operations and contractual liability insurance) together with an Owner's Certificate naming the Village as an additional insured with limits against bodily injury and property damage of not less than Five Million Dollars (\$5,000,000) for each occurrence (to accomplish the above-required limits, an umbrella excess liability policy may be used), written on an occurrence basis.

(b) All insurance required in this Article shall be obtained and continuously maintained in responsible insurance companies selected by the Developer or its successors that are authorized under the laws of the State to assume the risks covered by such policies. Unless otherwise provided in this Article, each policy must contain a provision that the insurer will not cancel nor modify the policy without giving written notice to the insured and the Village at least thirty (30) days before the cancellation or modification becomes effective, or not less than ten (10) days in the event of cancellation for non-payment. Prior to the expiration of any policy, the Developer, or its successor or assign, must renew the existing policy or replace the policy with another policy conforming to the provisions of this Article. In lieu of separate policies, the Developer or its successor or assign, may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein.

Section 405. Developer Responsible for All Fees. The Developer agrees that it will pay all utility permitting and relocation fees or any fees imposed with respect to the Work by the Metropolitan Water Reclamation District of Greater Chicago and any other permit required.

Section 406. Operation of the Twin 54-Inch Pipes. The land owners on which the 54-Inch Pipes reside shall continue to be the sole owners of the 54-Inch Pipes as replaced and relocated pursuant hereto, but shall grant to the Village a drainage easement for the use and maintenance thereof prior to construction, in a form approved by the Village Corporation Counsel. The Developer will secure approval from the property owners to grant such easements before the Storm Sewer Work begins. In connection therewith, the Village shall release that certain Easement Agreement, made by Shell Oil Company in favor of the Village with respect to the Shell Property previously recorded in the land records of Cook County, Illinois on September 26, 1995 as Document # 95652882, upon receipt of a new easement with respect to the relocated 54-Inch Pipes. It is anticipated that

the foregoing provisions of this Section 406 may be effectuated by the recordation of a new or amended Plat with respect to Site.

Section 407. Assignment. This Agreement is not assignable.

Section 408. Environmental Matters. The Developer shall not dispose of or release any hazardous substance, material, contaminant, or pollutant, as defined by any federal or state environmental laws, in, under, on or about the Site in connection with the Work, in violation of applicable environmental laws. The Developer, at its costs, shall remediate, or cause to be remediated, any hazardous substance, contaminant or pollution or other dangerous environmental condition that it (or its employees, agents or contractors) creates or causes with respect to the Work in accordance with all federal, state, county and local applicable laws and regulations. The Developer shall indemnify and hold the Village and its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees harmless against any claim, suit, loss, liability or damage, including, attorneys' fees and expenses incurred by the Village and/or its elected or appointed officers and officials, trustees, agents, volunteers, representatives and/or employees arising out of or relating to the disposal or release of any hazardous substance, material, contaminant, or pollutant during construction of the Work in, under, on or about the Site by the Developer in violation of applicable environmental laws; provided, however, that the foregoing shall not be construed to require the Developer to indemnify any party against any Losses arising out of the negligence or the willful act of or the breach of this Agreement by the Village or its elected or appointed officers or officials, trustees, agents, volunteers, representatives and/or employees. The Developer shall have no liability for any consequential damages suffered either by Village or its elected or appointed officers or officials, trustees, agents, volunteers, representatives and/or employees. The foregoing notwithstanding, the Developer does not hereby undertake any obligation or liability whatsoever with respect to, and the foregoing shall not be construed to require the Developer to indemnify any party against any Losses arising out of, the Existing Shell Contamination as referred to herein Section 204, or the remediation thereof, including, without limitation, any LUST Closure Activities or from any hazardous substance, contaminant or pollution or other dangerous environmental condition discovered, but not caused, by Developer.

ARTICLE V REMEDIES FOR BREACH OF AGREEMENT

Section 501. Developer Events of Default. The following shall be Events of Default with respect to this Agreement:

(a) If any material representation made by Developer in this Agreement, or in any certificate, notice, demand or request made by a party hereto, in writing and delivered to the Village pursuant to or in connection with any of said documents, shall prove to be untrue or incorrect in any materially adverse respect as of the date made; provided, however, that such default shall constitute an Event of Default only if Developer does not remedy the default within thirty (30) days after written notice from the Village.

(b) Default by the Developer in the performance or breach of any covenant contained in this Agreement; provided, however, that such default shall constitute an Event of Default only if the Developer does not remedy the default within thirty (30) days after written notice from the

Village, provided that if such default cannot reasonably be cured within such thirty (30) day period and the Developer shall have commenced to cure such default within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as it shall require the Developer in the exercise of due diligence to cure such default, subject to the 2 year completion deadline of Section 201(d) of this Agreement.

(c) The entry of a decree or order for relief by a court having jurisdiction in the premises in respect of Developer in an involuntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or appointing a receiver, liquidator, assignee, custodian, trustee, (or similar official) of Developer for any substantial part of its property, or ordering the winding-up or liquidation of its affairs, and the continuance thereof unstayed and in effect for a period of ninety (90) consecutive days.

(d) The commencement by Developer of a voluntary case under the federal bankruptcy laws, as now or hereafter constituted, or any other applicable federal or state bankruptcy, insolvency or other similar law, or the consent by Developer to the appointment of or taking possession by a receiver, liquidator, assignee, trustee, custodian, (or similar official) of Developer or of any substantial part of the Property, or the making by any such entity of any assignment for the benefit of creditors or the failure of Developer generally to pay such entity's debts as such debts become due or the taking of action by Developer in furtherance of any of the foregoing, and the continuance thereof unstayed and in effect for a period of ninety (90) consecutive days.

(e) Developer materially fails to comply with applicable governmental codes and regulations, subject to applicable variances as may be required, in relation to the construction of the Work contemplated by this Agreement; provided, however, that such default shall constitute an Event of Default only if the Developer does not, within thirty (30) days after written notice from the Village, remedy the default, provided that if such default cannot reasonably be cured within such thirty (30) day period and the Developer shall have commenced to cure such default within such thirty (30) day period and thereafter diligently and expeditiously proceeds to cure the same, such thirty (30) day period shall be extended for so long as it shall require the Developer in the exercise of due diligence to cure such default, subject to the 2 year completion deadline of Section 201(d) of this Agreement.

Section 502. Village Events of Default. The following shall be Events of Default with respect to this Agreement:

(a) If any representation made by the Village in this Agreement, or in any certificate, notice, demand or request made by a Party hereto, in writing and delivered to Developer pursuant to or in connection with any of said documents, shall prove to be untrue or incorrect in any material respect as of the date made; provided, however, that such default shall constitute an Event of Default only if the Village does not remedy the default within thirty (30) days after written notice from Developer.

(b) Default by the Village in the performance or breach of any monetary covenant contained in this Agreement; provided, however, that such default shall constitute an Event of Default only if the Village does not remedy the default within thirty (30) days after written notice from Developer.

Section 503. Remedies for Default. In the case of an Event of Default hereunder:

(a) Developer shall post a performance bond within forty-five (45) days of the Effective Date in the amount listed in Section 301 of this agreement to guarantee completion of the Work. Notwithstanding any other provisions of this Agreement, failure to post said bond in the form contained in Section 10-7-1 of the Village Code will terminate this Agreement.

(b) The defaulting Party shall, upon written notice (in accordance with the provisions of Section 703 of this Agreement) from the non-defaulting party, take immediate action to cure or remedy such Event of Default, and, after any applicable cure period, the non-defaulting party may exercise all rights and remedies available hereunder, at law or in equity, and may, without limitation, 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.

(c) In case the Village shall have proceeded to enforce its rights under this Agreement and such proceedings shall have been discontinued or abandoned by the Village for any reason, then, and in every such case, Developer and the Village shall be restored respectively to their several positions and rights hereunder, and all rights, remedies and powers of Developer and the Village shall continue as though no such proceedings had been taken.

(d) In the case of an Event of Default by the Village and its failure to cure such default after due notice and within the time period provided for in this Agreement, the Developer shall be entitled to avail itself of any remedies at law or in equity.

(e) In the case of an Event of Default by the Developer and its failure to cure such default after due notice and within the time period provided for in this Agreement, in addition to any other remedies at law or in equity, the Village shall be relieved, during the entire period of any such ongoing Default, of its obligations under this Agreement.

Section 504. No Waiver by Delay or Otherwise. 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 way (it being the intent of this provision that neither Party should 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.

Section 505. Rights and Remedies Cumulative. 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.

ARTICLE VI REPRESENTATIONS AND WARRANTIES

Section 601. Developer's Representations and Warranties. The Developer represents and warrants that:

(a) It is a duly organized and validly existing limited liability company under the laws of the State of Illinois, and duly authorized to conduct business in the State of Illinois. The Developer has all requisite corporate power and authority to enter into this Agreement and to consummate the transactions contemplated by this Agreement and this Agreement has been duly executed and delivered by authorized members of the Developer and is legally binding upon and enforceable against the Developer in accordance with its terms.

(b) The Developer is not a party to any contract or agreement or subject to any charter, operating agreement, article of organization or other limited liability company restriction which materially and adversely affects its business, property or assets, or financial condition. Neither the execution and delivery of this Agreement nor compliance with the terms of this Agreement will conflict with, or result in any breach of the terms, conditions or restrictions of, or constitute a default under, or result in any violation of, or result in the creation of any liens upon the properties or assets of the Developer pursuant to, the operating agreement or articles of incorporation of the Developer, any award of any arbitrator or any agreement (including any agreement with members), instrument, order, judgment, decree, statute, law, rule or regulation to which the Developer is subject.

(c) There is no action, suit, investigation or proceeding pending, or to the knowledge of the Developer, threatened against or affecting the Developer, at law or in equity, or before any court, arbitrator, or administrative or governmental body, nor has the Developer received notice in respect of, nor does it have any knowledge of, any default with respect to any judgment, order, writ, injunction, or decree of any court, governmental authority or arbitration board or tribunal, which in either case might reasonably be expected to result in any material adverse change in the business, condition (financial or otherwise) or operations of the Developer or the ability of the Developer to perform its obligations under this Agreement.

(d) The execution, delivery and performance of this Agreement have been duly authorized by all requisite corporate action.

(e) The Developer has filed all federal, state and other income tax returns which, to the knowledge of the officers of the Developer, are required to be filed, and each has paid all taxes as shown on such returns and on all assessments received by it to the extent that such taxes have become due, except such taxes as are being contested in good faith by appropriate proceedings for which adequate reserves have been established in accordance with generally accepted accounting principles. The Developer knows of no proposed additional tax or assessment against it by any governmental authority that would be reasonably likely to have a material adverse effect on the business, condition (financial or otherwise) or operations of the Developer.

(f) The Developer has, or is able to obtain, funds in an amount not less than that required to complete construction of the Work.

Section 602. Village Representations and Warranties. The Village represents and warrants that:

(a) The Village is a municipal corporation under the laws of the State of Illinois with power and authority under its home rule powers and the Act to enter into this Agreement and to consummate the transactions contemplated by this Agreement.

(b) To the best of its knowledge and belief, the execution of this Agreement and the consummation of the transactions contemplated by this Agreement will not result in any breach of, or constitute a default under, any agreement, contract, lease, mortgage, indenture, deed of trust or other instrument to which the Village is a party, nor violate any federal, state or local ordinance or statute.

(c) There is no action, suit or proceeding pending, or to the knowledge of the Village threatened, against or affecting the Village, at law or in equity, or before any governmental authority which, if adversely determined, would impair the Village's ability to perform its obligations under this Agreement.

(d) All actions of the President and Board of Trustees of the Village required to be taken to authorize execution of this Agreement have been validly and duly taken in accordance with law and the officers of the Village signing this Agreement have been duly authorized to execute this Agreement on behalf of the Village.

(e) The Work as set forth in this Agreement will not result in the displacement of residents from inhabited units under Section 11-74.4-3(n)(5) of the Tax Increment Allocation Redevelopment Act of the State of Illinois (65 ILCS 5/11-74.4-1, et. seq.).

Section 603. Disclosure. The Developer will make disclosures prior to the execution of this Agreement, as required by Illinois law, 50 ILCS 105/3.1, including the submittal with this Agreement by Developer or an authorized general partner, officer, managing member or other owner or duly authorized representative thereof of a sworn disclosure affidavit to the Village disclosing the identity of every owner and beneficiary who shall obtain any interest, real or personal, in the Site, and every shareholder entitled to receive more than 7½% of the total distributable income of any corporation after having obtained such an interest in the Site or, alternatively, if a corporation's stock is publicly traded, a sworn disclosure affidavit by an officer of the Developer or its managing agent that there is no readily known individual who shall obtain a greater than 7½% percent interest, real or personal, in the Developer or the Site. The sworn disclosure affidavit shall be substantially similar to the Disclosure Affidavit on **EXHIBIT H** attached hereto and made a part of this Agreement.

ARTICLE VII GENERAL PROVISIONS

Section 701. Entire Agreement; Successors and Assigns; Amendments. This Agreement, and the Exhibits attached to it contain the entire agreement between the Parties in connection with

these transactions, and there are no oral or parole agreements, representations or inducements existing between the parties relating to these transactions which are not expressly set forth in this Agreement and covered by this Agreement. This Agreement may not be modified except by a written agreement signed by all of the parties or their successors in interest, and in the case of the Village, shall require the adoption of an ordinance or resolution by the President and Board of Trustees of the Village approving such amendment. This Agreement shall be binding upon and inure to the benefit of the parties to this Agreement, their respective heirs, legal representatives, administrators, successors, successors in interest and assigns.

Section 702. Governing Law; Interpretation; Partial Invalidity. This Agreement shall be governed by the laws of the State of Illinois. The captions, section numbers and article numbers appearing in this Agreement are inserted only as a matter of convenience and do not define, limit, construe or describe the scope or intent of such paragraphs or articles of this Agreement nor in any way affect this Agreement. The invalidity of any provision of this Agreement or portion of a provision shall not affect the validity of any other provision of this Agreement or the remaining portions of the applicable provision.

Section 703. Notices. All notices, demands, requests, consents, approvals or other instruments required or permitted to be given under 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 by messenger delivery, on the date of transmission if transmitted via facsimile during normal business hours (9:00 a.m. to 5:00 p.m.), or as of the third (3rd) day from and including the date of posting, if deposited in the United States mail, postage prepaid, registered or certified mail, addressed as follows (or to such other address as may be designated from time to time by either Party by written notice to the other):

If to the Developer: Troy Triphahn
W-T Properties Schaumburg I, LLC
2675 Pratum Avenue
Hoffman Estates, IL 60192
Email: troy.triphahn@wtengineering.com

With a copy to: Michael A. Alesia
Michael A. Alesia & Associates, P.C.
1701 East Woodfield Road, Suite 925
Schaumburg, IL 60173
Email: malesia@alesialaw.com

If to the Village: Village of Hoffman Estates
1900 Hassell Road
Hoffman Estates, IL 60169
ATTN: Village Clerk
Email: bev.romanoff@hoffmanestates.org

With a copy to: Village of Hoffman Estates
1900 Hassell Road
Hoffman Estates, IL 60169
ATTN: Village Manager

Section 704. Recourse. Except as provided in this Agreement, no recourse under or upon any obligation, covenant or agreement contained in this Agreement or for any claim based thereon or otherwise in respect thereof shall be had against the direct or indirect officers, members, shareholders, managers, partners, beneficial owners, agents and employees of either Party for any reason.

Section 705. Conflict of Interest: Village's Representative Not Individually Liable. No member, official or employee of the Village shall have any personal interest, direct or indirect, in this Agreement; nor shall any such member, official or employee participate in any decision relating to this Agreement which affects such person's interests or the interests of any corporation, partnership, or association in which such person is directly or indirectly interested. No member or employee of the Village has acquired any interest direct, or indirect, in the Site. No member, official, or employee of the Village shall be personally liable to the Developer or any successor in interest in the event of any default or breach by the Village or for any amount which may become due to the Developer or successor or on any obligation under the terms of this Agreement.

Section 706. Municipal Limitation. All commitments or obligations of the Village undertaken pursuant to this Agreement shall be limited to the extent that such obligations are within its powers as a municipal corporation and the Act.

Section 707. Costs. Any cost and expense incurred by either Party with regard to the preparation of this Agreement shall be borne exclusively by such Party with no right to reimbursement from the other except as provided in this Agreement.

Section 708. No Joint Venture. Nothing contained in this Agreement is intended by the Parties to create a joint venture between the Parties. It is understood and agreed that this Agreement does not provide for the joint exercise by the Parties of any activity, function or service, nor does it create a joint enterprise, nor does it constitute either Party as an agent of the other for any purpose whatsoever.

Section 709. Authority to Execute. Each Party to this Agreement warrants and represents that its signatory to this Agreement is a duly authorized representative of that Party, with full power and authority to agree to this Agreement, and all terms herein, on behalf of that Party.

Section 710. Exhibits. The following exhibits are attached hereto and made a part hereof or incorporated herein by reference and made a part hereof:

- EXHIBIT A - Legal Description of the Storm Sewer Site
- EXHIBIT B - Construction Plans
- EXHIBIT C - Legal Description of the Former Bowling Alley Site
- EXHIBIT D - Owners of Record
- EXHIBIT E - Detailed Cost Estimates of the Work
- EXHIBIT F - Reimbursement Documentation Format Spreadsheet
- EXHIBIT G - Request for Reimbursement
- EXHIBIT H - Disclosure Affidavit

Section 711. Right to Assign. Developer may not assign this Agreement.

Section 712. Approvals. The Developer recognizes and agrees that the Village shall exercise reasonable discretion with regard to all approvals and permits as required by ordinance relating to the Work, including, but not limited to, approval of the Final Project Documents, demolition permits, excavation permits, grading permits, building permits, certificates of occupancy and failure on the part of the Village to grant any approval or issue any permit shall not be deemed as the cause of a default by the Developer under this Agreement.

Section 713. Contingencies. In the first nine (9) months of this Agreement, Developer shall apply and diligently pursue issuance of all governmental permits to complete the Work and the Village agrees to fully cooperate with Developer's effort to obtain permits. If, in the event that Developer is denied any required approval or permit from any governmental agency to perform the Work, after commercially reasonable effort, the obligation to perform said Work shall be terminated.

IN WITNESS WHEREOF, the parties to this Agreement have set their hands and seals to this Agreement on the day and year first above written.

VILLAGE:

VILLAGE OF HOFFMAN ESTATES
an Illinois municipal corporation and home rule unit of local government

By: William D. McLeod
Name: William D. McLeod
Title: Village President
Date: 10-20-2020

ATTEST:

By: Bev Romanoff
Name: Bev Romanoff
Title: Village Clerk
Date: 10/20/2020

DEVELOPER:

W-T PROPERTIES, SCHAUMBURG I, LLC
an Illinois limited liability company

By: Troy N. Triphan
Name: TROY N. TRIPHAN
Title: MANAGING MEMBER
Date: 10/14/20

ACKNOWLEDGMENTS

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

On Oct 20, 2020, William D. McLeod, as Village President, and Bev Romanoff, as Village Clerk, of the Village of Hoffman Estates, Cook County, Illinois, a municipal corporation, personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me in person, and acknowledged that they signed, sealed and delivered the said instrument as their free and voluntary act and as the free and voluntary act of the Village of Hoffman Estates, for the uses and purposes therein set forth.

Given under my hand and official seal this 20th day of October, 2020.





Notary Public

STATE OF ILLINOIS)
)
COUNTY OF COOK) SS

On October 14, 2020, ^{Trust}TWISHAW, as ^{MANAGING}MEMBER of W-T PROPERTIES SCHAUMBURG I, LLC, personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me in person, and acknowledged that he signed, sealed and delivered the said instrument as his free and voluntary act and as the free and voluntary act of said trust, for the uses and purposes therein set forth.

Given under my hand and official seal this 14th day of Oct, 2020.

Joanne M. Liss
Notary Public

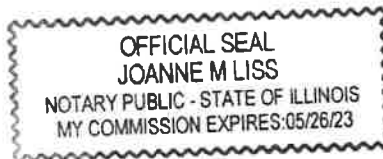


EXHIBIT A
Legal Description of the Shopping Center Site

ALL OF LOT 7 AND THAT PART OF LOT 14 DESCRIBED MORE PARTICULARLY AS FOLLOWS:

COMMENCING AT THE NORTHWEST CORNER OF SAID LOT 14; THENCE EASTWARD ALONG THE NORTH LINE OF SAID LOT 14, NORTH 89 DEGREES 23 MINUTES 37 SECONDS EAST, A DISTANCE OF 362.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING EASTWARD ALONG THE SAID NORTH LINE OF LOT 14, NORTH 89 DEGREES 23 MINUTES 37 SECONDS EAST, A DISTANCE OF 17.50 FEET; THENCE SOUTH 3 DEGREES 07 MINUTES 51 SECONDS WEST, A DISTANCE OF 199.56 FEET; THENCE NORTH 89 DEGREES 35 MINUTES 21 SECONDS EAST, A DISTANCE OF 29.81 FEET, THENCE SOUTH 00 DEGREES 24 MINUTES 39 SECONDS EAST, A DISTANCE OF 150.00 FEET; THENCE NORTH 89 DEGREES 35 MINUTES 21 SECONDS EAST, A DISTANCE OF 156.00 FEET; THENCE NORTH 00 DEGREES 24 MINUTES 39 SECONDS WEST, A DISTANCE OF 150.00 FEET; THENCE NORTH 89 DEGREES 35 MINUTES 21 SECONDS EAST, A DISTANCE OF 67.00 FEET TO A POINT ON THE WEST LINE OF LOT 12 OF SAID BLOCK 1; THENCE SOUTH 00 DEGREES 24 MINUTES 39 SECONDS EAST, A DISTANCE OF 10.39 FEET TO THE SOUTHWEST CORNER OF SAID LOT 12; THENCE EASTWARD ALONG THE SOUTH LINE OF SAID LOT 12, NORTH 89 DEGREES 35 MINUTES 21 SECONDS EAST, A DISTANCE OF 200.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 12; THENCE SOUTHWARD ALONG THE WEST LINE OF APPLE STREET, SOUTH 00 DEGREES 24 MINUTES 39 SECONDS EAST, A DISTANCE OF 25.00 FEET TO A POINT OF CURVATURE; THENCE SOUTHWARD ALONG A CURVED LINE, CONVEXED TO THE EAST, OF 1956.17 FEET IN RADIUS, FOR AN ARC LENGTH OF 25.00 FEET TO THE NORTHEAST CORNER OF LOT 11 OF SAID BLOCK 1; THENCE WESTWARD ALONG THE NORTH LINE OF SAID LOT 11, SOUTH 89 DEGREES 35 MINUTES 21 SECONDS WEST, A DISTANCE OF 200.02 FEET TO THE NORTHWEST CORNER OF SAID LOT 11; THENCE SOUTHWARD ALONG THE WEST LINE OF LOTS 11 THROUGH 5, BEING A CURVED LINE, CONVEXED TO THE EAST, OF 1756.17 FEET IN RADIUS HAVING A CHORD LENGTH OF 600.87 FEET ON A BEARING OF SOUTH 10 DEGREES 15 MINUTES 20 SECONDS WEST, FOR AN ARC LENGTH OF 603.84 FEET TO A POINT ON THE WEST LINE OF LOT 5 IN SAID BLOCK 1, SAID POINT BEING 63.53 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOTS; THENCE SOUTHWARD ALONG THE WEST LINE OF LOTS 5 THROUGH 1, SOUTH 20 DEGREES 06 MINUTES 21 SECONDS WEST, A DISTANCE OF 463.53 FEET TO THE SOUTHWESTERLY CORNER OF SAID LOT 1; THENCE SOUTHEASTERLY ALONG THE SOUTHERLY LINE OF SAID LOT 1, SOUTH 69 DEGREES 53 MINUTES 39 SECONDS EAST, A DISTANCE OF 200.00 FEET TO THE SOUTHEASTERLY CORNER OF SAID LOT 1, BEING A POINT ON THE WESTERLY LINE OF APPLE STREET; THENCE SOUTHWESTERLY ALONG THE SAID WESTERLY LINE OF APPLE STREET, SOUTH 20 DEGREES 08 MINUTES 21 SECONDS WEST, A DISTANCE OF 21.36 FEET; THENCE SOUTH 20 DEGREES 29 MINUTES 21 SECONDS WEST, A DISTANCE OF 61.69 FEET; THENCE NORTH 69 DEGREES 30 MINUTES 39 SECONDS WEST, A DISTANCE OF 125.00 FEET THENCE SOUTH 20 DEGREES 29 MINUTES 21 SECONDS WEST A DISTANCE OF 80.00 FEET; THENCE SOUTH 69 DEGREES 30 MINUTES 39 SECONDS EAST, A DISTANCE OF 125.00 FEET TO A POINT ON THE EASTERLY LINE OF LOT 14; THENCE SOUTHWESTERLY ALONG THE EASTERLY LINE OF LOT 14, BEING THE WESTERLY LINE OF APPLE STREET,

SOUTH 20 DEGREES 29 MINUTES 21 SECONDS WEST, A DISTANCE OF 100.00 FEET TO THE SOUTHEAST CORNER OF SAID LOT 14; THENCE WESTWARD ALONG THE SOUTHERLY LINE OF LOT 14; BEING THE NORTHERLY RIGHT OF WAY LINE OF HIGGINS ROAD, NORTH 69 DEGREES 30 MINUTES 39 SECONDS WEST, A DISTANCE OF 225.0 FEET; THENCE NORTH 20 DEGREES 29 MINUTES 21 SECONDS EAST, A DISTANCE OF 64.02 FEET; THENCE NORTH 3 DEGREES 07 MINUTES 51 SECONDS EAST, A DISTANCE OF 126.83 FEET; THENCE NORTH 86 DEGREES 52 MINUTES 09 SECONDS WEST A DISTANCE OF 118.00 FEET TO A POINT OF CURVATURE; THENCE WESTWARD ALONG A CURVED LINE. CONVEXED TO THE NORTH, OF 30.00 FEET IN RADIUS, FOR AN ARC LENGTH OF 24.70 FEET; THENCE SOUTH 3 DEGREES 07 MINUTES 51 SECONDS WEST A DISTANCE OF 140.54 FEET TO A POINT ON THE SOUTHERLY LINE OF SAID LOT 14, BEING 211.64 FEET EASTERLY OF THE SOUTHWEST CORNER OF SAID LOT 14; THENCE WESTWARD ALONG THE SOUTHERLY LINE OF LOT 14, BEING THE NORTHERLY RIGHT OF WAY LINE OF HIGGINS ROAD. NORTH 69 DEGREES 30 MINUTES 39 SECONDS WEST, A DISTANCE OF 54.48 FEET; THENCE NORTH 3 DEGREES 07 MINUTES 51 SECONDS EAST, A DISTANCE OF 196.89 FEET; THENCE NORTH 86 DEGREES 52 MINUTES 09 SECONDS WEST, A DISTANCE OF 150.00 FEET TO A POINT ON THE WEST LINE OF SAID LOT 14, BEING 150.00 FEET NORTH OF THE SOUTHWEST CORNER OF SAID LOT 14; THENCE NORTHWARD ALONG THE SAID WEST LINE OF LOT 14, BEING THE EAST LINE OF ROSELLE ROAD, NORTH 3 DEGREES 07 MINUTES 51 SECONDS EAST, A DISTANCE OF 1050.51 FEET TO A POINT, BEING 200.00 FEET SOUTH OF THE NORTHWEST CORNER OF SAID LOT 14; THENCE NORTH 89 DEGREES 23 MINUTES 37 SECONDS EAST, A DISTANCE OF 362.00 FEET; THENCE NORTH 3 DEGREES 07 MINUTES 51 SECONDS EAST, A DISTANCE OF 200.00 FEET TO THE POINT OF BEGINNING; ALL IN BLOCK 1 OF HOFFMAN ESTATES I BEING A SUBDIVISION OF PART OF SECTIONS 14 AND 15, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF REGISTERED AUGUST 5, 1955 AS DOCUMENT NUMBER 1612242 IN COOK COUNTY, ILLINOIS

(EXCEPT THAT PART OF LOT 14, BLOCK 1 IN HOFFMAN ESTATES I, A SUBDIVISION OF PART OF SECTIONS 14 AND 15, TOWNSHIP 41 NORTH, RANGE 10, LYING EAST OF THE THIRD PRINCIPAL MERIDIAN. ACCORDING TO THE PLAT THEREOF RECORDED AUGUST 5, 1955, AS DOCUMENT NUMBER 1612242, IN COOK COUNTY, ILLINOIS, DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE WEST LINE OF SAID LOT 14, THAT IS 150.00 FEET NORTH OF THE SOUTHWEST CORNER THEREOF; THENCE ON AN ASSUMED BEARING OF SOUTH 89 DEGREES 43 MINUTES 35 SECONDS EAST, 13.00 FEET TO A POINT ON A LINE THAT IS 13.00 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF SAID LOT 14, THENCE NORTH 00 DEGREES 16 MINUTES 25 SECONDS EAST ALONG SAID PARALLEL LINE, 673.33 FEET; THENCE NORTH 02 DEGREES 30 MINUTES 52 SECONDS EAST, 230.18 FEET TO A POINT ON A LINE THAT IS 22.00 FEET EAST OF AND PARALLEL WITH THE WEST LINE OF SAID LOT 14; THENCE NORTH 00 DEGREES 16 MINUTES 25 SECONDS EAST ALONG SAID PARALLEL LINE, 150.00 FEET; THENCE SOUTH 86 DEGREES 30 MINUTES 23 SECONDS WEST. 22.05 FEET TO A POINT ON THE WEST LINE OF SAID LOT 14 THAT IS 200.00 FEET SOUTH OF THE NORTHWEST CORNER THEREOF; THENCE SOUTH 00 DEGREES 16 MINUTES 25

SECONDS WEST ALONG THE WEST LINE OF SAID LOT 14, A DISTANCE OF 1051.88 FEET TO THE POINT OF BEGINNING), IN COOK COUNTY, ILLINOIS.

AND

THAT PART OF LOT 14 IN BLOCK ONE IN HOFFMAN ESTATES, I (HEREINAFTER DESCRIBED) DESCRIBED AS FOLLOWS:

BEGINNING AT A POINT ON THE SOUTHERLY LINE OF SAID LOT 14; THENCE EASTERLY ALONG THE SOUTHERLY LINE OF LOT 14, BEING THE NORTHERLY RIGHT-OF-WAY LINE OF HIGGINS ROAD, SOUTH 69 DEGREES, 30 MINUTES, 39 SECONDS EAST, A DISTANCE OF 126.67 FEET; THENCE NORTH 20 DEGREES, 29 MINUTES, 21 SECONDS EAST, A DISTANCE OF 64.02 FEET; THENCE NORTH 3 DEGREES, 07 MINUTES, 51 SECONDS EAST, A DISTANCE OF 126.83 FEET, THENCE NORTH 86 DEGREES, 52 MINUTES, 09 SECONDS WEST, A DISTANCE OF 118.00 FEET TO A POINT OF CURVATURE; THENCE WESTWARD ALONG A CURVED LINE, CONVEXED TO THE NORTH, OF 30.00 FEET IN RADIUS, FOR AN ARC LENGTH OF 24.70 FEET, THENCE SOUTH 3 DEGREES, 07 MINUTES, 51 SECONDS WEST, A DISTANCE OF 140.54 FEET TO THE POINT OF BEGINNING SAID HOFFMAN ESTATES BEING A SUBDIVISION OF THAT PART OF THE WEST HALF OF THE NORTHWEST QUARTER AND THAT PART OF THE NORTHWEST QUARTER OF THE SOUTH WEST QUARTER OF SECTION 14, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF HIGGINS ROAD, TOGETHER WITH THAT PART OF THE NORTHEAST QUARTER OF SECTION 15, TOWNSHIP 41 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING NORTH OF HIGGINS ROAD, ACCORDING TO PLAT THEREOF REGISTERED IN THE OFFICE OF THE REGISTRAR OF TITLES OF COOK COUNTY, ILLINOIS, ON AUGUST 5, 1955, AS DOCUMENT NUMBER 1612242.

ROSELLE ROAD

WEST HIGGINS ROAD

HOFFMAN LANES

WT GROUP

ARCHITECTURAL \ CIVIL \ MECHANICAL \ ELECTRICAL \ PLUMBING \ TELECOMMUNICATION \ STRUCTURAL \ ACCESSIBILITY CONSULTING \ DESIGN & PROGRAM MANAGEMENT \ LAND SURVEY

FINAL ENGINEERING
80 WEST HIGGINS ROAD
HOFFMAN ESTATES, IL 60109
HOFFMAN LANES

WT GROUP
1000 N. WILSON AVE. SUITE 200
CHICAGO, IL 60642
TEL: (773) 399-1000
WWW.WTGROUP.COM

EXHIBIT C
Legal Description of the Former Bowling Alley Site

That part of the Northwest 1/4 of Section 15, Township 41 North, Range 10, East of the Third Principal Meridian, in Cook County, Illinois, described as follows:

Beginning at intersection of North line of Higgins Road with a line being parallel to and 252.61 feet West of the original West line of Roselle Road as measured perpendicular to said West line of Roselle Road; thence Westward along the North line of Higgins Road a distance of 476.43 feet; thence northward along a line being Parallel with West line of Roselle Road, a distance of 183.73 feet thence Eastward along a line forming a 90 degrees angle with last described course a distance of 455 feet; thence southward along a line being parallel with West line of Roselle road a distance of 325 feet to point of beginning, in Cook County, Illinois.

EXHIBIT D
Owners of Record

Common Name	PIN	Owner of Record
Hoffman Plaza Shopping Center	07-15-200-035-0000, 07-15-200-036-0000, 07-15-200-037-0000, and 07-15-200-027-0000	SVAP HOFFMAN PLAZA, L.P. & SVAP HOFFMAN PLAZA II, L.P.
Former Hoffman Lanes Bowling Alley – 80 W Higgins Rd.	07-15-101-005-0000	W-T PROPERTIES SCHAUMBURG I, LLC
Golf Center Shopping Center Access Road	07-15-101-021-0000	GOLF ROSE SHOPPING CENTER, LLC
Walgreens Site – 1000 N Roselle Rd.	07-15-101-004-0000 07-15-101-009-0000	WESTERN SPRINGS NATIONAL BANK AND TRUST U/T/A DTD 2/9/96 A/K/A TRUST NO. 3528
Former Shell Site – 2 E Higgins Rd.	07-15-200-023-0000	METROPOLITAN BANK GROUP

Exhibit E

Detailed Cost Estimates of the Work



2675 PRATUM AVENUE
HOFFMAN ESTATES, IL 60192
(224) 293-6333
WWW.WTGROUP.COM

PROJECT NAME: 80 West Higgins
PROJECT NUMBER: 1911948C
LOCATION: Hoffman Estates, IL
DATE: 10/07/20

HOFFMAN LANES DEMOLITION AND FLOOD IMPROVEMENTS PROJECT ENGINEERS OPINION OF PROBABLE COST

SUMMARY OF COSTS

DEMOLITION OF FORMER BOWLING ALLEY SITE	\$265,900.00
CONSTRUCTION OF 2-54" PIPES ON EAST SIDE OF ROSELLE ROAD	\$1,322,719.38
CONSTRUCTION OF 2-54" PIPES WEST OF ROSELLE ROAD	\$587,669.38
SUBTOTAL	\$2,176,288.76
CONTINGENCY	\$217,628.88
PROJECT TOTAL	\$2,393,917.64

DETAILED COSTS

DEMOLITION OF FORMER BOWLING ALLEY SITE

DEMOLITION	QUANTITY	UNITS	UNIT COST	TOTAL COST
DEMOLITION BUILDING, FOOTINGS, AND OTHER VISIBLE IMPROVEMENTS	1.00	L. SUM	\$265,900.00	\$265,900.00
TOTAL DEMOLITION COST =				\$265,900.00

CONSTRUCTION OF 7-54" PIPES ON EAST SIDE OF ROSELLE ROAD

SCOPE - 4.5' X 9' BOX CULVERT - EAST OF ROSELLE	QUANTITY	UNITS	UNIT COST	TOTAL COST
DEMO EXISTING 54" CMP	1020.00	L.F.	\$20.00	\$20,400.00
DEMO EXISTING ASPHALT	900.00	SY	\$12.00	\$7,200.00
DEMO EXISTING CURBS	450.00	L.F.	\$15.00	\$6,750.00
EXCAVATION - EXISTING CULVERT (CONTAMINATED)	2080.00	C.Y.	\$60.00	\$125,400.00
TRENCH BACKFILL / AGGREGATE - EXISTING PIPE	2600.00	C.Y.	\$30.00	\$78,000.00
TOPSOIL RESTORATION - EXISTING PIPE	100.00	C.Y.	\$30.00	\$3,000.00
NEW 4.5' X 9' BOX CULVERT (PIPE AND INSTALLATION)	510.00	L.F.	\$450.00	\$274,500.00
EXCAVATION - NEW CULVERT (CONTAMINATED)	6400.00	C.Y.	\$60.00	\$384,000.00
TRENCH BACKFILL / AGGREGATE - NEW CULVERT	4700.00	C.Y.	\$30.00	\$141,000.00
NEW END SECTION	1.00	EA	\$15,000.00	\$15,000.00
ASPHALT PAVEMENT REPLACEMENT	900.00	SY	\$40.00	\$24,000.00
ASPHALT PAVEMENT MILL AND OVERLAY	1600.00	SY	\$20.00	\$32,000.00
NEW CURB	450.00	LF	\$27.00	\$12,150.00
RESTORATION / EROSION CONTROL	1.00	L. SUM	\$10,000.00	\$10,000.00
TOTAL 4.5' X 9' BOX CULVERT - EAST OF ROSELLE COST =				\$1,133,400.00

CONSTRUCTION OF 2-54" PIPES WEST OF ROSELLE ROAD

SCOPE - 4.5' X 9' BOX CULVERT - WALGREENS	QUANTITY	UNITS	UNIT COST	TOTAL COST
DEMO EXISTING 54" CMP	510.00	L.F.	\$20.00	\$10,200.00
DEMO EXISTING ASPHALT	425.00	SY	\$12.00	\$5,100.00
DEMO EXISTING CURBS	100.00	L.F.	\$15.00	\$1,500.00
EXCAVATION	1200.00	C.Y.	\$30.00	\$36,000.00
NEW 4.5' X 9' BOX CULVERT (PIPE AND INSTALLATION)	255.00	L.F.	\$450.00	\$114,750.00
TRENCH BACKFILL / AGGREGATE - NEW CULVERT	1200.00	C.Y.	\$30.00	\$36,000.00
NEW END SECTION	1.00	EA.	\$10,000.00	\$10,000.00
ASPHALT PAVEMENT REPLACEMENT	450.00	SY	\$40.00	\$18,000.00
NEW CURB	100.00	L.F.	\$27.00	\$2,700.00
RESTORATION / EROSION CONTROL	1.00	L.SUM	\$10,000.00	\$10,000.00
SEAL COAT / RESTRIPE	1.00	L.SUM	\$4,000.00	\$4,000.00

TOTAL 4.5' X 9' BOX CULVERT - WALGREENS COST = \$248,250.00

SCOPE - 4.5' X 9' BOX CULVERT - 80 W. HIGGINS	QUANTITY	UNITS	UNIT COST	TOTAL COST
DEMO EXISTING CULVERT	50.00	L.F.	\$150.00	\$7,500.00
DEMO EXISTING ASPHALT	150.00	SY	\$12.00	\$1,800.00
EXCAVATION	250.00	C.Y.	\$30.00	\$7,500.00
NEW 4.5' X 9' BOX CULVERT (PIPE AND INSTALLATION)	50.00	L.F.	\$450.00	\$22,500.00
TRENCH BACKFILL / AGGREGATE	250.00	C.Y.	\$30.00	\$7,500.00
NEW END SECTION	2.00	EA.	\$10,000.00	\$20,000.00
ASPHALT PAVEMENT REPLACEMENT	150.00	SY	\$40.00	\$6,000.00
RESTORATION / EROSION CONTROL	1.00	L.SUM	\$3,000.00	\$3,000.00

TOTAL 4.5' X 9' BOX CULVERT - 80 W. HIGGINS COST = \$75,800.00

80 West Higgins, Hoffman Estates, IL
Opinion of Probable Costs
October 7, 2020

SCOPE - 4.5' X 9' BOX CULVERT - 138 W. HIGGINS	QUANTITY	UNITS	UNIT COST	TOTAL COST
DEMO EXISTING CULVERT	45.00	L.F.	\$150.00	\$6,750.00
DEMO EXISTING ASPHALT	150.00	SY	\$12.00	\$1,800.00
EXCAVATION	225.00	C.Y.	\$30.00	\$6,750.00
NEW 4.5' X 9' BOX CULVERT (PIPE AND INSTALLATION)	50.00	L.F.	\$450.00	\$22,500.00
TRENCH BACKFILL / AGGREGATE	250.00	C.Y.	\$30.00	\$7,500.00
NEW END SECTION	2.00	EA.	\$10,000.00	\$20,000.00
ASPHALT PAVEMENT REPLACEMENT	150.00	SY	\$40.00	\$6,000.00
RESTORATION / EROSION CONTROL	1.00	L.SUM	\$3,000.00	\$3,000.00

TOTAL 4.5' X 9' BOX CULVERT - 138 W. HIGGINS COST = \$74,300.00

TOTAL IMPROVEMENTS SUBTOTAL = \$1,531,750.00

SOFT COSTS - ALLOCATED 50% TO PHASE "2" AND 50% TO PHASE "3"

SCOPE - PERMIT FEE	QUANTITY	UNITS	UNIT COST	TOTAL COST
VILLAGE OF HOFFMAN ESTATES (4.5% OF IMPROVEMENT COST)	1.00	L.SUM	\$68,928.75	\$68,928.75
BOND FOR PUBLIC IMPROVEMENTS	1.50	%	\$1,910,388.75	\$28,010.00
METROPOLITAN WATER RECLAMATION DISTRICT OF GREATER CHICAGO	1.00	L.SUM	\$5,350.00	\$5,350.00
FEDERAL EMERGENCY MANAGEMENT AGENCY (CLOMR / LOMR)	1.00	L.SUM	\$15,000.00	\$15,000.00
ILLINOIS ENVIRONMENTAL PROTECTION AGENCY - NPDES PERMIT	1.00	L.SUM	\$250.00	\$250.00
US ARMY CORPS OF ENGINEERS - WETLAND PERMIT	1.00	L.SUM	\$100.00	\$100.00

TOTAL PERMIT FEE COST = \$117,638.75

SCOPE - PROFESSIONAL SERVICES	QUANTITY	UNITS	UNIT COST	TOTAL COST
SITE ENGINEERING	1.00	L.SUM	\$29,500.00	\$29,500.00
PERMITTING	1.00	L.SUM	\$12,000.00	\$12,000.00
STORMWATER MANAGEMENT ANALYSIS	1.00	L.SUM	\$135,000.00	\$135,000.00
WETLAND ANALYSIS	1.00	L.SUM	\$19,500.00	\$19,500.00
LEGAL FEES	1.00	L.SUM	\$15,000.00	\$15,000.00
TOPOGRAPHIC SURVEY	1.00	L.SUM	\$50,000.00	\$50,000.00

TOTAL PROFESSIONAL SERVICES COST = \$261,000.00

SUBTOTAL = \$2,176,288.75

10% CONTINGENCY = \$217,628.88

PROJECT TOTAL = \$2,393,917.63

Exhibit F Reimbursement Documentation Format Spreadsheet

TIF Certification [number: 1, 2, 3...] For Period Ending [date]

[Name of TIF]

1 [Project Name]

Date Paid	Check #	Payee Name	Invoice Number	Property	Amount	Description
A. Hard Costs						
1. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
2. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
3. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
4. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
TOTAL [PROJECT] HARD COST					\$ 400.00	
B. Soft Costs						
1. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
2. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
3. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
4. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
TOTAL [PROJECT] HARD COST					\$ 400.00	
Grand Total [PROJECT] Cost					\$ 800.00	

2 [Project Name]

Date Paid	Check #	Payee Name	Invoice Number	Property	Amount	Description
A. Hard Costs						
1. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
2. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
3. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
4. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
TOTAL [PROJECT] HARD COST					\$ 400.00	
B. Soft Costs						
1. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
2. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
3. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
4. Contractor Name 1/1/2020	1001	[Name]		1 [name of prop]	\$ 100.00	[description of type of work completed]
TOTAL [PROJECT] HARD COST					\$ 400.00	
Grand Total [PROJECT] Cost					\$ 800.00	
Grand Total TIF Submission					\$ 2,400.00	

Exhibit G
Request for Reimbursement

REQUEST FOR REIMBURSEMENT

TO: Village of Hoffman Estates

RE: Redevelopment Agreement dated _____, 2020, by and between the Village of Hoffman Estates, Cook and Kane County, Illinois, an Illinois municipal corporation and home rule unit of local government (the "Village"), and W-T Properties Schaumburg I, LLC, an Illinois limited liability company.

You are hereby notified, in accordance with the Redevelopment Agreement, that Developer has incurred the following expenses in respect of which a reimbursement is due from the Village under the Redevelopment Agreement:

	Payee	Amount	Description of Expense
1)			
2)			
3)			
4)			

The undersigned Developer hereby states and certifies that:

- 1) Each item listed above is a qualified TIF reimbursable expense and was incurred in connection with the construction and installation of the Work. Attached to this Request is supporting documentation of the nature and amount of each TIF reimbursable expense submitted here.
- 2) The(se) TIF reimbursable expense(s) has/have been incurred by Developer and are presently due and payable or have been paid by Developer.
- 3) There has not been filed with or served upon Developer any notice of any lien, right of lien or attachment upon or claim affecting the right of any person, firm or corporation to receive payment of the amounts stated in this request, except to the extent such lien is being contested in good faith.
- 4) All necessary permits and approvals required for the Work for which this request relates have been issued and are in full force and effect.
- 5) All redevelopment activities for which a reimbursement is requested have been performed in a good and workmanlike manner and in accordance with the applicable Final Project Documents and the Redevelopment Agreement.

Dated this ___ day of _____, 20__.

DEVELOPER:

W-T PROPERTIES SCHAUMBURG I, LLC
an Illinois limited liability company

By: _____
Name: _____
Title: _____
Date: _____

Approved for Payment this ___ day of _____, 20__.

VILLAGE OF HOFFMAN ESTATES

By: _____
Name: _____
Title: _____
Authorized Municipal Representative

EXHIBIT H
Disclosure Affidavit

State of Illinois)
)
County of Cook)

THE DEVELOPER MUST SIGN THIS AFFIDAVIT

I, TROY TRIPPAHN, reside at 1850 KIDEN DRIVE, WEST DUNDEE, County of KANE, State of ILLINOIS, being first duly sworn and having personal knowledge of the below facts, swear to the following:

That I am over the age of eighteen and am the Developer.

That the Redevelopment Site in question has a common street address referred to as: 80 W. HICKINS, in the Village of Hoffman Estates, County of Cook, State of Illinois, and with a Property Index Number(s) shown in the exhibit attached hereto (hereinafter "Redevelopment Site").

That I understand that pursuant to 50 ILCS 105/3.1, prior to execution of the Redevelopment Agreement between the Developer and the Village, state law requires the owner, authorized trustee, corporate official or managing agent to submit a sworn affidavit to the Village disclosing the identity of every owner and beneficiary who will obtain any interest, real or personal, in the Redevelopment Site, and every shareholder who will be entitled to receive more than 7.5% of the total distributable income of any corporation having any interest, real or personal, in the Redevelopment Site after this transaction is consummated.

As the owner, authorized trustee, corporate officer, or managing agent, I declare under oath that (choose one):

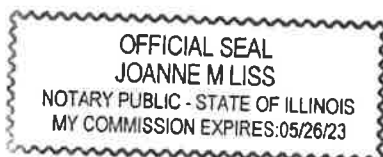
- ☒ (a) The owners or beneficiaries of the trust are: or (ATTACHED)
- ☐ (b) The shareholders with more than 7 1/2% interest are: or
- ☐ (c) The corporation is publicly traded and there is no readily known individual having greater than a 7 1/2% interest in the corporation.

This instrument is made to induce the Village to enter into the Redevelopment Agreement and in accordance with 50 ILCS 105/3.1.

Affiant: _____

Subscribed and sworn to before me this 14th day of October, 2020

Notary Public



W-T Properties Schaumburg I, LLC Ownership

NAME	ADDRESS	%
Stephen T. Triphahn	105 N. Knollwood Drive Schaumburg, IL 60194	26.67%
5 Trip, LLC	2675 Pratum Ave. Hoffman Estates, IL 60192	26.67%
Jeffrey S. Gutowsky	31W729 Peterson Drive Wayne, IL 60184	26.67%
Christopher M. Starke	8955 Eden Court Lakewood, IL 60014	20.00%

5Trip, LLC Ownership

NAME	ADDRESS	%
Troy N. Triphahn	1358 Karen Drive West Dundee, IL 60118	26.67%
Ryan R. Triphahn	1123 Barber Ct. West Dundee, IL 60118	26.67%
Jaclyn M. Triphahn	2236 Farmington Ln. Charlotte, NC 28205	26.67%
Julie M. Triphahn	961 Americana Ct. Pingree Grove, IL 60140	20.00%

**AGENDA
ROSELLE-GOLF-HIGGINS TIF
ANNUAL MEETING
JOINT REVIEW BOARD
JULY 14, 2021
1900 HASSELL ROAD
Hoffman Estates, IL**

1:05 p.m. – Hennessy Room

- I. Call to Order**
- II. Election of Chairperson**
- III. Approval of Minutes – July 20, 2020**
- IV. Review of Year 2020 Audit & Compliance Report**
- V. Question and Answers**
- VI. Adjournment**

**Minutes
Roselle-Golf-Higgins TIF
Annual Meeting
Joint Review Board
July 20, 2020**

Board Members Present: James Norris, Village of Hoffman Estates, Chairman
Bev Romanoff, Resident Member
Suzanne McVey, Schaumburg Township
Nicole Hopkins, Hoffman Estates Park District
Rob Galick, Harper College
Ric King, School District 54

Guests Present: Dan O'Malley, Deputy Village Manager
Rachel Musiala, Director of Finance
Arthur Janura, Corporation Counsel
Patti Cross, Asst. Corporation Counsel
Kevin Kramer, Director of Economic Development
Laurel Warren, Fiscal Operations Manager

I. Call to Order

Chairman Norris called the meeting to order at 1:05 p.m. Notices were sent via email to all members of the Joint Review Board in which they also received a copy of the Annual Report. No questions were received from any members. A distribution list and annual report will be attached to the minutes.

II. Approval of Minutes – July 8, 2019

A motion to approve the minutes was made by Suzanne McVey and seconded by Ric King. A voice vote was taken. All ayes. Motion carried.

III. Review of Year 2019 Audit & Compliance Report

Rachel Musiala, Director of Finance for the Village of Hoffman Estates gave a brief overview of the Annual Financial Report.

IV. Question and Answers

No questions were asked.

V. Adjournment

Motion to adjourn was made by Rob Galick and seconded by Ric King. A voice vote was taken. All ayes. Motion carried. Chairman Norris adjourned the meeting at 1:07 p.m.

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Independent Auditor's Report on Compliance With Public Act 85-1142
and Independent Auditor's Report and Financial Statements

December 31, 2020



Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

December 31, 2020

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**Independent Auditor's Report
on Compliance With Public Act 85-1142**

**Independent Auditor's Report
on Compliance With Public Act 85-1142**

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

We have audited the basic financial statements of the Village of Hoffman Estates, Illinois, as of and for the year ended December 31, 2020, and have issued our report thereon, dated June 21, 2021.

We have also audited the Village's compliance 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) for its Roselle Road TIF District Fund. The management of the Village of Hoffman Estates, Illinois, is responsible for the Village's compliance with those requirements. Our responsibility is to express an opinion on compliance with those requirements.

We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the Village complied in all material respects with the requirements referred to above. An audit includes examining, on a test basis, evidence about the Village of Hoffman Estates, Illinois' compliance with those requirements. We believe that our audit provides a reasonable basis for our opinion.

In our opinion, the Village of Hoffman Estates, Illinois, complied, in all material respects, with the requirements of subsection (q) of Section 11-74.4-3 of the *Illinois Tax Increment Redevelopment Allocation Act* (Illinois Public Act 85-1142) for its Roselle Road TIF District Fund.

BKD, LLP

Oakbrook Terrace, Illinois
June 21, 2021

Independent Auditor's Report

Independent Auditor's Report

The Honorable Village President
Members of the Board of Trustees
Village of Hoffman Estates, Illinois

We have audited the accompanying financial statements of the Roselle Road TIF District Fund (the Fund), a special revenue fund of the Village of Hoffman Estates, Illinois, as of and for the year ended December 31, 2020, and the related notes to the financial statements, as listed in the table of contents.

Management's Responsibility for the Financial Statements

Management is responsible for the preparation and fair presentation of these financial statements in accordance with accounting principles generally accepted in the United States of America; this includes the design, implementation and maintenance of internal control relevant to the preparation and fair presentation of financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with auditing standards generally accepted in the United States of America. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the Fund's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Fund's internal control. Accordingly, we express no such opinion. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of significant accounting estimates made by management, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements referred to above present fairly, in all material respects, the financial position of the Roselle Road TIF District Fund, a special revenue fund of the Village of Hoffman Estates, Illinois, as of December 31, 2020, and the changes in its financial position for the year then ended in accordance with accounting principles generally accepted in the United States of America.

Emphasis of Matter

As discussed in Note 1, the financial statements present only the Roselle Road TIF District Fund and do not purport to, and do not, present fairly the financial position of the Village of Hoffman Estates, Illinois, as of December 31, 2020, the changes in its financial position, or, where applicable, its cash flows for the year then ended in accordance with accounting principles generally accepted in the United States of America. Our opinion is not modified with respect to this matter.

Other Matters

Required Supplementary Information

Management has omitted management's discussion and analysis that accounting principles generally accepted in the United States of America require to be presented to supplement the financial statements. Such missing information, although not a part of the financial statements, is required by the Governmental Accounting Standards Board who considers it to be an essential part of financial reporting for placing the financial statements in an appropriate operational, economic, or historical context. Our opinion on the financial statements is not affected by this missing information.

Other Information

Our audit was conducted for the purpose of forming an opinion on the financial statements as a whole. The supplementary information, schedule of fund balance by source, is presented for purposes of additional analysis and is not a required part of the financial statements.

The schedule of fund balance by source 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. Such 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.

BKD, LLP

Financial Statements

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Balance Sheet

December 31, 2020

Assets

Cash and investments	\$ 1,672,962
Property tax receivable	<u>666,700</u>
Total assets	<u><u>\$ 2,339,662</u></u>

Liabilities Deferred Inflows of Resources and Fund Balances

Liabilities

Miscellaneous escrow payable	\$ 25,000
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Deferred Inflows of Resources

Unavailable revenue - property taxes	<u>666,700</u>
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Total liabilities and deferred inflows of resources	691,700
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Fund Balance

Restricted for economic development - state statute	<u>1,647,962</u>
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Total deferred inflows of resources and fund balance	<u><u>\$ 2,339,662</u></u>
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Village of Hoffman Estates, Illinois
Roselle Road TIF District Fund
Statement of Revenues, Expenditures and
Changes in Fund Balance
Year Ended December 31, 2020

Revenues

Property taxes	\$ 586,534
Investment income	1,121
Other income	11,041
Total revenues	<u>598,696</u>

Expenditures

Current	
Economic development	<u>11,867</u>

Net Change in Fund Balance	586,829
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Fund Balance

January 1, 2020	<u>1,061,133</u>
December 31, 2020	<u><u>\$ 1,647,962</u></u>

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Notes to Financial Statements

December 31, 2020

Note 1: Summary of Significant Accounting Policies

The financial statements of the Roselle Road TIF District Fund of the Village of Hoffman Estates, Illinois (Village) have been prepared in conformity with accounting principles generally accepted in the United States of America as applied to government units. The financial statements present only the Roselle Road TIF District Fund and do not present fairly the financial position of the Village and the changes in its financial position. The Governmental Accounting Standards Board (GASB) is the accepted standard-setting body for establishing governmental accounting and financial reporting principles. The more significant of the Village's accounting policies are described below.

Reporting Entity

The Roselle Road TIF District Fund (Fund) was established to account for transactions related to the Redevelopment Plan and Redevelopment Project within the municipal boundaries established by village ordinance.

Fund Accounting

The accounts of the Village are organized and operated on the basis of funds. A fund is an independent fiscal and accounting entity with a self-balancing set of accounts. Fund accounting segregates funds according to their intended purpose and is used to aid management in demonstrating compliance with finance related legal and contractual provisions.

The Fund is classified as a Governmental Special Revenue Fund.

Basis of Accounting

The accounting and financial reporting treatment applied to a fund is determined by its measurement focus. The modified accrual basis of accounting is used by governmental funds. The main revenue source included in the fund is incremental property tax revenues from the designated TIF area. Governmental funds are used to account for the Village's general government activities. Governmental fund types use the flow of current financial resources measurement focus and the modified accrual basis of accounting. Under the modified accrual basis of accounting revenues are recognized when susceptible to accrual (*i.e.*, when they are measurable and available). "Measurable" means the amount of the transaction can be determined and "available" means collectible within the current period or soon enough thereafter to pay liabilities of the current period. The Village considers all revenues available if they are collected within 60 days after year end.

Expenditures are recorded when the related fund liability is incurred, except for unmatured interest on general long-term debt which is recognized when due, and certain compensated absences and claims and judgments which are recognized when the obligations are expected to be liquidated with expendable available financial resources.

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Notes to Financial Statements

December 31, 2020

Investments

Investments with a maturity date of one year or less when purchased and all non-negotiable certificates of deposit are stated at cost or amortized cost. Investments with a maturity greater than one year when purchased are reported at fair value.

Property Taxes

Property taxes for 2020 attach as an enforceable lien on January 1, 2020, on properties assessed as of the same date. Taxes are levied on a calendar year basis by the last Tuesday of December. Tax bills are prepared and mailed by the County on or about February 1, 2021 and August 1, 2021, and are payable in two installments, on or about March 1, 2021 and September 1, 2021. The County collects such taxes and remits them periodically. Since the 2020 levy is intended to finance the 2021 fiscal year, the levy has been recorded as receivable and unavailable revenue. The revenues in the current year financial statements represent the 2019 property tax levy.

Fund Balance

The components of fund balance include the following line item:

Restricted fund balance has externally enforceable limitations on use, such as limitations imposed by creditors, grantors, contributors or laws and regulations of other government as well as limitations imposed by law through constitutional provision or enabling legislation.

Note 2: Cash and Investments

The Village's investment policy authorizes the Village to invest in debt securities guaranteed by the United States Government (explicitly or implicitly), debt securities of the United States Government or its agencies, interest-bearing savings accounts, time deposits and certificates of deposit of a bank that is insured by the Federal Deposit Insurance Corporation, certain insured short-term obligations of corporations organized in the United States Government, certain money market mutual funds, interest-bearing bonds of other local governments and The Illinois Funds, a money market fund created by the State Legislature under the control of the State Treasurer that maintains a \$1 share value.

The Illinois Public Treasurers' Investment Pool, known as The Illinois Funds, operates as a qualified external investment pool in accordance with the criteria established in GASB Statement No. 79, *Certain External Investment Pools and Pool Participants*, and thus, reports all investments at amortized cost rather than market value. The investment in The Illinois Funds by participants is also reported at amortized cost. The Illinois Funds does not have any limitations or restrictions on participant withdrawals. The Illinois Treasurer's Office issues a separate financial report for The Illinois Funds which may be obtained by contacting the Administrative Office at Illinois Business Center, 400 West Monroe Street, Suite 401, Springfield, Illinois 62704.

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Notes to Financial Statements

December 31, 2020

Deposits With Financial Institutions

Custodial credit risk for deposits with financial institutions is the risk that in the event of bank failure, the Village's deposits may not be returned to it. The Village investment policies require pledging of collateral for all bank balances in excess of federal depository insurance with the collateral held by an agent of the Village in the Village's name.

Investments

Interest rate risk is the risk that change in interest rates will adversely affect the fair value of an investment. In accordance with its investment policy, the Village limits its exposure to interest rate risk by structuring the portfolio to provide liquidity for operating funds and maximizing yields for funds not needed currently. The investment policy limits the maximum maturity lengths of most investments to two years.

The Village limits its exposure to credit risk, the risk that the issuer of a debt security will not pay its par value upon maturity, by requiring investments primarily in obligations guaranteed by the United States Government or securities issued by agencies of the United States Government that are explicitly guaranteed by the United States Government. The Illinois Funds are not subject to custodial credit risk.

Custodial credit risk for investments is the risk that, in the event of the failure of the counterparty to the investment, the Village will not be able to recover the value of its investments that are in possession of an outside party. To limit its exposure, the Village investment policies require all security transactions that are exposed to custodial credit risk to be processed on a delivery versus payment (DVP) basis with the underlying investments held by a third party acting as the Village's agent separate from where the investment was purchased.

Concentration of Credit Risk - The Village's investment policy has the following diversification guidelines: no more than 50% of the Village's investments can be held at any one financial institution, exclusive of bonds, notes debenture or other obligations of the United States Government or its agencies.

Cash and investments as of December 31, 2020, is comprised of the following:

Cash	\$ 1,665,343
Illinois Funds	7,619
	<hr/>
Total	\$ 1,672,962
	<hr/>

Supplementary Information

Village of Hoffman Estates, Illinois

Roselle Road TIF District Fund

Schedule of Fund Balance by Source

Year Ended December 31, 2020

Beginning Balance, January 1	<u>\$ 1,061,133</u>
Deposits	
Property tax	586,534
Investment income	1,121
Other income	11,041
Total deposits	<u>598,696</u>
Beginning Balance Plus Deposits	1,659,829
Expenditures	
Economic development	
Other contractual services	11,867
Ending Balance, December 31	<u><u>\$ 1,647,962</u></u>
Ending Balance by Source	
Property taxes and interest	\$ 1,647,962
Less surplus funds	-
Ending Balance, December 31	<u><u>\$ 1,647,962</u></u>