

CITY OF GENOA
DEKALB COUNTY, ILLINOIS

ORDINANCE NO. 2023 - 7

ADOPTED BY
THE MAYOR AND
CITY COUNCIL
OF THE
CITY OF GENOA

AN ORDINANCE AUTHORIZING THE EXECUTION OF AN ECONOMIC
INCENTIVE AGREEMENT AND IMPLEMENTING THE PROVISIONS OF
AN ADOPTED ECONOMIC INCENTIVE AGREEMENT BETWEEN THE
CITY OF GENOA AND 702 W. MAIN, LLC

Adopted May 17, 2023, by the Mayor and City Council of the City of Genoa,
DeKalb County, Illinois, and approved and published in pamphlet from this 17th
day of May 2023.

CITY OF GENOA
ORDINANCE NO. 2023 - 7

***An Ordinance Authorizing the Execution of an Economic Incentive Agreement
between the City of Genoa and 702 W. Main, LLC***

WHEREAS, the City of Genoa, a municipal corporation located within the County of DeKalb, and the State of Illinois, has determined that it is in the best interests of the citizens of the City of Genoa to stimulate commercial and industrial development within the City of Genoa; and

WHEREAS, Section 18-165 of the Illinois Property Tax Code, 35 ILCS 200/18-165, a municipal corporation may abate property tax for a commercial property that will expand a facility or expand the number of employees; and

WHEREAS, 702 W. Main, LLC desires to expand its existing business by purchasing a building at 702 West Main Street (the "Subject Property") in the jurisdiction of the City of Genoa, which in turn will create additional jobs, and has requested economic assistance in the form of a property tax abatement to help defray the costs of same; and

WHEREAS, 702 W. Main, LLC is the private property owner which is anticipated to acquire fee simple title to the Subject Property and be responsible for the payment of real estate taxes for the Subject Property.

NOW, THEREFORE, BE IT ORDAINED by the Mayor and City Council of the CITY of GENOA, DeKalb County, Illinois, as follows:

SECTION 1: Pursuant to 35 ILCS 200/18-165, the Economic Incentive Agreement between 702 W. Main, LLC and the City of Genoa, attached hereto and made a part hereof as Exhibit A (the "Agreement"), is hereby approved and the City Mayor and City Clerk are hereby authorized and directed to execute same. The partial, temporary abatement of the City's property taxes, alone, as outlined in Exhibit A, shall be calculated by the County Clerk in each of the first three full tax assessment years following occupancy after the County Clerk has determined the value of the proper percentage of the City's property tax abatement in accordance with Section 3 of the Agreement and the County Clerk is hereby directed to abate said taxes in accordance with this Ordinance.

SECTION 2: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4: This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Alderman Name	Aye	Nay	Abstain	Absent
Pam Wesner				
Christopher Pulley	✓			
Melissa Freund	✓			✓
Walter Stage				✓
Courtney Winter				✓
Kendra Braheny				✓
Gary Roca	✓			
Gregg Hughes	✓			
Mayor Jonathon Brust	✓			


PASSED by the City Council of the City of Genoa, DeKalb County, Illinois this 17th day of May, 2023.

Approved by me this 17th day of May, 2023.


Jonathon Brust, Mayor

(SEAL)

ATTESTED and filed in my office this 17th day of May, 2023.


Becca Stevenson, City Clerk



2023008824

TASHA SIMS

RECORDER - DEKALB COUNTY, IL

RECORDED: 12/13/2023 08:38 AM

REC FEE: 55.00

PAGES: 6

**City of Genoa and C.A.P.
Economic Development Agreement
May 2023**

Prepared by/Return to:
City of Genoa
333 East First Street
Genoa, IL 60135

ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN THE CITY OF GENOA AND 702 W. MAIN, LLC

This Agreement (“Agreement”) is entered into this 17th day of May 2023, by and between the City of Genoa, an Illinois municipal corporation (hereinafter referred to as the “City”) and 702 W. Main, LLC, (hereinafter referred to as “C.A.P.”), an Illinois corporation with offices at 312 Eureka Street, Genoa, Illinois 60135 (hereinafter referred to collectively as the “Parties”).

PREAMBLE

WHEREAS, the City is an Illinois municipal corporation under and by virtue of the Constitution and laws of the State of Illinois; and

WHEREAS, Section 18-165 of the Illinois Property Tax Code, 35 ILCS 200/18-165, provides that a municipal corporation may abate property tax for a commercial property that will expand a facility or expand the number of employees; and

WHEREAS, the City desires to increase the number of businesses in the City that generate Non-Residential Property Taxes and new job opportunities for its residents; and

WHEREAS, C.A.P. will expand its operations into an industrial building that C.A.P. has entered into a contract to purchase at 702 W. Main Street (the “Subject Property”) said building comprising approximately 70,000 square feet; and

WHEREAS, as an economic incentive for C.A.P. to generate the additional jobs and business in the City, C.A.P. and the City have agreed to share in the municipal property tax revenue generated by the City portion of the Subject Property’s property taxes and but for this sharing arrangement, C.A.P. would not purchase the Subject Property and C.A.P. would not expand its force of employees or operations in the City.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the City and C.A.P. agree as follows:

SECTION 1
INCORPORATION OF PREAMBLE AND EXHIBITS

That the Preambles to this Agreement are hereby declared to be the findings of the Parties and that said Preamble and all exhibits, if any, referred to in the Preamble and this Agreement are incorporated herein as if fully set forth in this Section 1.

SECTION 2
CONDITIONS PRECEDENT TO THE UNDERTAKING ON THE PART OF THE CITY

All undertakings on the part of the City pursuant to this Agreement are subject to the satisfaction of the following conditions precedent by C.A.P. on or before the date set forth below:

- A. Acquisition of fee simple title to the Subject Property, as evidenced by a recorded

deed to serve as an expansion of C.A.P.'s existing business within the City of Genoa, which will be no later than December 31, 2023 and operation of its business and employment of its employees at the Subject Property must continue throughout the length of this Agreement. Time is of the essence.

SECTION 3
UNDERTAKINGS ON THE PART OF THE CITY

Upon satisfaction of all conditions precedent described in Section 2 of this Agreement:

A. The City shall abate 67% of its municipal property tax levy, alone, relative to the Subject Property only, for each of the first 3 years following the purchase of the Subject Property by C.A.P. and its occupancy and operation of its business and employment of its employees at the Building. Any City obligation to abate its municipal property tax levy shall terminate if all or any portion of the Subject Property is sold or conveyed or if the building on the Subject Property suffers any casualty rendering it uninhabitable or C.A.P. ceases conducting business operations from the Subject Property or employing its employees at the Subject Property.

SECTION 4
DEFAULT

- A. C.A.P. shall be considered in default of this Agreement for:
- i. Failure to comply with any material term, provision, or condition of this Agreement, including but not limited to failing to occupy the Building at the Subject Property; or
 - ii. Materially misrepresenting or warranting in bad faith any information contained in this Agreement.
- B. The City shall be considered in default of this Agreement for failure to comply with any material term, provision, or condition of this Agreement.

SECTION 5
REMEDIES FOR A BREACH OR DEFAULT

In the event of a breach or default of this Agreement, the Parties agree that the Party alleged to be in breach or default shall have thirty (30) days after written notice of said breach to correct the same prior to the non-breaching Party's seeking to any remedy provided for herein. Following the expiration of the cure period described above, the non-breaching Party may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance of any obligation set forth in this Agreement or may terminate this Agreement without penalty. The failure of any Party to insist upon the strict and prompt performance of any of the terms, covenants, agreements, and conditions herein contained shall not constitute or be construed as a waiver or relinquishment of any Party's right thereafter to enforce any such term, covenant, agreement or condition.

In accordance with Section 18-183 of the Illinois Property Tax Code, 35 ILCS 200/18-183, C.A.P. shall pay the abated taxes if the City finds that C.A.P. is in default of this Agreement.

SECTION 6
LIABILITY

The Parties acknowledge and agree that (i) no individual, partner, member, shareholder, owner, officer, director, employee, affiliate, beneficiary, or elected or appointed public official of either Party, including corporate authorities of the City, shall be personally liable to the other Party for any judgments, monetary damages, payments, obligations or performance of either Party hereunder, (ii) the sole recourse for performance of the obligations hereunder shall be against the Parties themselves and each of their respective assets and not against any other person and shall be limited only to the amount of money that has actually been or was meant to be collected under this Agreement, (iii) the provisions of this Agreement do not constitute indebtedness or a loan of credit of either Party within the meaning of any constitutional or statutory provision.

SECTION 7
NO THIRD PARTY RIGHTS CREATED

The City and C.A.P. agree that this Agreement is for the benefit of the Parties hereto and not for the benefit of any third-party beneficiaries. No third parties shall have any rights or claims against the City arising from this Agreement. There shall be no assignment of any rights set forth in this Agreement to any third party.

SECTION 8
GOVERNING LAW

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

SECTION 9
INDEMNIFICATIONS

The City and C.A.P. agree to indemnify the City relative to any claims regarding the City portion of property taxes.

SECTION 10
AMENDMENT

This Agreement may be amended only by the mutual consent of the Parties, or their successors and assigns, by written instrument specifically referencing this Agreement.

SECTION 11
NOTICES

All notices, elections and other communications between the Parties shall be in writing and

shall be mailed by certified mail, return receipt requested, postage prepaid, or delivered personally, to the Parties at the following addresses, or at such other addresses as the Parties may, by written notice, designate:

If to the City: City of Genoa
 Attention: Mayor
 333 East First Street
 Genoa, Illinois 60135

With Copies to: Kelly Cahill
 Zukowski, Rogers, Flood and McArdle
 50 Virginia Street
 Crystal Lake, Illinois 60014

If to C.A.P.:

 702 W. Main Street
 Attention: President
 312 Eureka Street
 Genoa, IL 60135

Notices shall be deemed received on the third business day following the day of deposit in the U.S. Mail, if given by certified mail as aforesaid, and upon receipt or refusal, if personally delivered.

Any changes regarding any future mailing addresses or contacts will be amended through written correspondence between the City and C.A.P.

SECTION 12
TERM

This Agreement shall be effective for 4 years following the date of this Agreement.

SECTION 13
SEVERABILITY

If any provision, covenant, or portion of this Agreement is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants or portions of this Agreement.

SECTION 14
ENTIRE AGREEMENT

This Agreement supersedes all prior agreements, negotiations and exhibits between the Parties and constitutes the entire agreement of the Parties with respect to the subject matter covered

in the Agreement.

SECTION 15
BINDING EFFECT

This Agreement shall be binding upon and inure to the benefit of the Parties.

SECTION 16
COUNTERPARTS


This Agreement may be executed in counterparts. Each of the counterparts shall be deemed an original instrument, but all of the counterparts shall constitute one and the same instrument.

SECTION 17
APPROVALS

The Parties hereby represent that they have obtained all necessary authorizations and approvals, including, without limitation, the enactment of ordinances and resolutions, if applicable, that are necessary to enable each party to comply with the terms and provisions of this Agreement and perform their obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

City of Genoa

By: 

Its: MAYOR, Jonathon Brust

ATTEST:

By: 

Its: CITY CLERK, Rebecca Stevenson



702 W. Main, LLC

By: 

Its: PRESIDENT, Steve Dillett

FILED
DEC 12 2023
DeKalb County Clerk

**City of Genoa and C.A.P.
Economic Development Agreement
May 2023**

Prepared by/Return to:
City of Genoa
333 East First Street
Genoa, IL 60135

ECONOMIC DEVELOPMENT AGREEMENT
BETWEEN THE CITY OF GENOA AND 702 W. MAIN, LLC

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PREAMBLE

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WHEREAS, Section 18-165 of the Illinois Property Tax Code, 35 ILCS 200/18-165, provides that a municipal corporation may abate property tax for a commercial property that will expand a facility or expand the number of employees; and

WHEREAS, the City desires to increase the number of businesses in the City that generate Non-Residential Property Taxes and new job opportunities for its residents; and

WHEREAS, C.A.P. will expand its operations into an industrial building that C.A.P. has entered into a contract to purchase at 702 W. Main Street (the "Subject Property") said building comprising approximately 70,000 square feet; and

WHEREAS, as an economic incentive for C.A.P. to generate the additional jobs and business in the City, C.A.P. and the City have agreed to share in the municipal property tax revenue generated by the City portion of the Subject Property's property taxes and but for this sharing arrangement, C.A.P. would not purchase the Subject Property and C.A.P. would not expand its force of employees or operations in the City.

NOW, THEREFORE, in consideration of the mutual covenants and promises set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged by the Parties, the City and C.A.P. agree as follows:

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- A. Acquisition of fee simple title to the Subject Property, as evidenced by a recorded

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- i. Failure to comply with any material term, provision, or condition of this Agreement, including but not limited to failing to occupy the Building at the Subject Property; or
 - ii. Materially misrepresenting or warranting in bad faith any information contained in this Agreement.
- B. The City shall be considered in default of this Agreement for failure to comply with any material term, provision, or condition of this Agreement.

SECTION 5
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In the event of a breach or default of this Agreement, the Parties agree that the Party alleged to be in breach or default shall have thirty (30) days after written notice of said breach to correct the same prior to the non-breaching Party's seeking to any remedy provided for herein. Following the expiration of the cure period described above, the non-breaching Party may take whatever action at law or in equity as may appear necessary or desirable to enforce performance and observance of any obligation set forth in this Agreement or may terminate this Agreement without penalty. The failure of any Party to insist upon the strict and prompt performance of any of the terms, covenants, agreements, and conditions herein contained shall not constitute or be construed as a waiver or relinquishment of any Party's right thereafter to enforce any such term, covenant, agreement or condition.

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 Attention: Mayor
 333 East First Street
 Genoa, Illinois 60135

With Copies to: Kelly Cahill
 Zukowski, Rogers, Flood and McArdle
 50 Virginia Street
 Crystal Lake, Illinois 60014

If to C.A.P.:

 702 W. Main Street
 Attention: President
 312 Eureka Street
 Genoa, IL 60135

Notices shall be deemed received on the third business day following the day of deposit in the U.S. Mail, if given by certified mail as aforesaid, and upon receipt or refusal, if personally delivered.

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The Parties hereby represent that they have obtained all necessary authorizations and approvals, including, without limitation, the enactment of ordinances and resolutions, if applicable, that are necessary to enable each party to comply with the terms and provisions of this Agreement and perform their obligations hereunder.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the day and year first above written.

City of Genoa

By:  _____

Its: MAYOR _____

ATTEST:

By:  _____

Its: CITY CLERK _____

702 W. Main, LLC

By:  _____

Its: PRESIDENT _____