

**RESOLUTION NUMBER 2016-09-20**

**A Resolution of the Village of Pecatonica, Winnebago County, Illinois,  
Expressing an Official Intent Regarding the  
Negotiation of One or More Redevelopment Agreements and the  
Reimbursement of Certain Expenditures  
in connection with the  
Main Street Redevelopment Project Area**

**WHEREAS**, the President and Board of Trustees (the “**Corporate Authorities**”) of the Village of Pecatonica, Winnebago County, Illinois (the “**Village**”), in an effort to revitalize the local economy and provide for the redevelopment and reuse of an underutilized and blighted area within the community, recently authorized an eligibility study for a proposed Village of Pecatonica, Winnebago County, Illinois, Main Street Redevelopment Project Area (the “**Project Area**”) (see Exhibit A, Project Area Boundary) and contemplating the use of tax increment finance (“**TIF**”) in accordance with the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended (the “**Act**”), to pay eligible “redevelopment project costs” as defined in the Act within the Project Area ; and

**WHEREAS**, the Corporate Authorities (i) have determined that in order to encourage private investment within the Project Area and restore and enhance the tax base of the Village, certain conditions within the Project Area that cause the areas within the Project Area to be classified as “conservation” areas must be removed, and (ii) are considering redevelopment of the Project Area utilizing the powers and authority conferred by the Act; and

**WHEREAS**, the removal of conditions that cause the areas within the Project Area to be classified as “conservation” areas, and the redevelopment and reuse of the Project Area, are expected to require the expenditure of funds on such “redevelopment project costs” by both the Village and private parties; and

**WHEREAS**, in order to stimulate private investment in the Project Area, it is necessary for the Village to provide financial and other assistance to private parties utilizing the powers and authority conferred by the Act; and

**WHEREAS**, the Corporate Authorities desire to begin negotiating with private parties in connection with the potential redevelopment of portions of the Project Area; and

**WHEREAS**, it is desirable and in the best interest of the residents of the Village to authorize the President and other appropriate officers of the Village to begin negotiating with private parties (“**Developers**”), cause the necessary due diligence to be conducted to determine the feasibility of redevelopment projects proposed by such private parties, and begin drafting one or more redevelopment agreements (the “**RDAs**”) to be entered into by the Village and the Developers governing the redevelopment of the Project Area; and

**WHEREAS**, during the course of those negotiations the Village and Developers intend to make certain expenditures for eligible “redevelopment project costs” in connection with and the redevelopment of the Project Area, which expenditures will be paid on or after the date of passage of this Resolution (the “**Expenditures**”); and

**WHEREAS**, the Village reasonably expects to reimburse itself or the Developers for the Expenditures by using incremental property tax revenue derived from TIF or issuing obligations pursuant to the Act secured by incremental property tax revenue derived from TIF or otherwise pursuant to law (the “**Reimbursement Obligations**”);

**NOW THEREFORE BE IT AND IT IS HEREBY RESOLVED**, by the President and Board of Trustees of the Village of Pecatonica, Winnebago County, Illinois, that:

**Section 1. Recitals**

The statements set forth in the preambles to this Resolution are found to be true and correct and are incorporated by reference and made a part of this Resolution.

**Section 2. Authority**

(a) The Village is a duly constituted and organized non-home rule municipality as described in Section § 7 of Article VII of the 1970 Constitution of the State of Illinois, and as such has specific powers granted to it by law.

(b) This Resolution is adopted in connection with the contemplated implementation of a “redevelopment plan” in accordance with and as defined in the Act.

(c) This Resolution is a declaration of official intent under Treasury Regulations Section 1.150-2.

(d) This Resolution shall allow for “redevelopment project costs” to be incurred and subsequently reimbursed from incremental property tax revenue derived from TIF or from the proceeds of Reimbursement Obligations in accordance with the Act.

**Section 3. RDA Negotiation**

(a) The Corporate Authorities authorize the President and his designees to proceed in good faith with negotiating and preparing one or more RDAs between the Village and one or more Developers to encourage industrial and commercial development and the redevelopment and reuse of blighted or conservation areas within the Project Area.

(b) Each RDA shall provide for the use of TIF, as provided in the Act, and may provide for the use of TIF to pay or reimburse the costs of eligible “redevelopment project costs” within the Project Area.

(c) Each RDA shall include the amount and terms of TIF assistance that may be made available to the applicable Developer, and that assistance shall be based on the determination of financial need in order to allow an approved redevelopment project to be feasible, provided that assistance shall be limited to payment or reimbursement of eligible redevelopment project costs.

(d) Each RDA shall provide that zoning, planned unit development, subdivision, and site plan approvals must be approved separately by the Corporate Authorities where otherwise required by law.

**Section 4. Expenditures**

(a) Prior to the execution of the RDAs, the Village may incur, or cause Developers to incur, Expenditures in connection within the Project Area.

(b) The final executed RDAs may include eligible redevelopment project costs that are to be incurred after the execution of the RDA, in addition to the Expenditures incurred in connection with this Resolution prior to the execution of the RDAs.

**Section 5. Reimbursement of Expenditures**

The Village intends to reimburse all or a portion of the Expenditures incurred in connection with this Resolution through the use of Reimbursement Obligations in accordance to the Act.

**Section 6. Non-Binding Effect**

Notwithstanding the foregoing, all negotiations and all agreements (including those with private parties) relating to the redevelopment of portions of the Project Area shall be and shall remain non-binding on the Village unless and until they are formally approved by the Corporate Authorities. The Village shall not be liable for the payment of any costs, Expenditures, or Reimbursement Obligations unless and until the same are authorized by a duly approved and enacted RDA.

**Section 7. Public Inspection**

This Resolution shall be immediately available for inspection by the public at the office of the Village Clerk.

**Section 8. Severability**

If any provision of this Resolution shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such provision shall not affect any of the remaining provisions of this Resolution, and to that effect all provisions of this Resolution are deemed severable.

**Section 9. Effective Date**

This Resolution shall be in full force and effect immediately upon its passage and approval by the Corporate Authorities, as provided by law.

ADOPTED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF  
PECATONICA, WINNEBEGO COUNTY, STATE OF ILLINOIS, THIS \_\_\_\_ DAY OF  
\_\_\_\_\_ 2016, BY THE FOLLOWING ROLL CALL VOTE:

	YES	NO	ABSENT	PRESENT
(President 1)				
TOTAL				

APPROVED by the Village President on \_\_\_\_\_, 2016:

\_\_\_\_\_  
 Daniel Barber  
 VILLAGE PRESIDENT

ATTEST:

\_\_\_\_\_  
 Gwenn Shirley  
 VILLAGE CLERK

Exhibit A; Resolution No \_\_\_\_\_  
Redevelopment Project Area Boundary