

SECTION 2 [Sections 2 through 5 must be completed for each redevelopment project area listed in Section 1.]
20 month reporting period - 8 months of FY 2014 + FY 2015

Name of Redevelopment Project Area: TIF #4 West Irving Park Rd
Primary Use of Redevelopment Project Area*: Mixed
If "Combination/Mixed" List Component Types: Commercial/Retail
Under which section of the Illinois Municipal Code was Redevelopment Project Area designated? (check one): Tax Increment Allocation Redevelopment Act <input checked="" type="checkbox"/> Industrial Jobs Recovery Law <input type="checkbox"/>

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

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

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

Provide an analysis of the special tax allocation fund.

20 month reporting period - 8 months of FY 2014 + FY 2015

TIF NAME: West Irving Park Rd Corridor RPA (TIF #4)

Fund Balance at Beginning of Reporting Period \$ (14,537)

Revenue/Cash Receipts Deposited in Fund During Reporting FY:	Reporting Year	Cumulative*	% of Total
Property Tax Increment	\$ -	\$ 1,178,230	55%
State Sales Tax Increment			0%
Local Sales Tax Increment			0%
State Utility Tax Increment			0%
Local Utility Tax Increment			0%
Interest	\$ 12	\$ 5,472	0%
Land/Building Sale Proceeds			0%
Bond Proceeds			0%
Transfers from Municipal Sources		\$ 939,500	44%
Private Sources			0%
Other (identify source _____; if multiple other sources, attach schedule)			0%

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

Total Amount Deposited in Special Tax Allocation Fund During Reporting Period \$ 12

Cumulative Total Revenues/Cash Receipts \$ 2,123,202 100%

Total Expenditures/Cash Disbursements (Carried forward from Section 3.2) \$ 10,149

Distribution of Surplus

Total Expenditures/Disbursements \$ 10,149

NET INCOME/CASH RECEIPTS OVER/(UNDER) CASH DISBURSEMENTS \$ (10,137)

FUND BALANCE, END OF REPORTING PERIOD* \$ (24,674)

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

SURPLUS*/(DEFICIT)(Carried forward from Section 3.3) \$ (4,102,550)

SECTION 3.2 A

PAGE 3

14. Costs of reimbursing private developers for interest expenses incurred on approved redevelopment projects. Subsection (q)(11)(A-E) and (o)(13)(A-E)		
		\$ -
15. Costs of construction of new housing units for low income and very low-income households. Subsection (q)(11)(F) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
16. Cost of day care services and operational costs of day care centers. Subsection (q) (11.5) - Tax Increment Allocation Redevelopment TIFs ONLY		
		\$ -
TOTAL ITEMIZED EXPENDITURES		\$ 10,149

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

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

20 month reporting period - 8 months of FY 2014 + FY 2015

TIF NAME: West Irving Park Road Corridor RPA (TIF #4)

FUND BALANCE, END OF REPORTING PERIOD \$ (24,674)

	Amount of Original Issuance	Amount Designated
1. Description of Debt Obligations		
General Fund Agreement - Upfront Funding of TIF Costs	\$ 939,500	\$ 539,500
Menard Redevelopment Agreement	\$ 2,000,000	\$ 1,448,377

Total Amount Designated for Obligations \$ 2,939,500 \$ 1,987,877

2. Description of Project Costs to be Paid

Admin, Legal, Prof Design & studies - FY2016 and Beyond		\$ 20,000
Reimburse General Fund - Land, Public Imps, Other		\$ 200,000
Property Assembly, Demolition, Env - FY2016 and Beyond		\$ 1,100,000
Public Works, Utility & Pkg Improvements - FY2016 and Beyond		\$ 770,000

Total Amount Designated for Project Costs \$ 2,090,000

TOTAL AMOUNT DESIGNATED \$ 4,077,877

SURPLUS*/(DEFICIT) \$ (4,102,550)

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

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

20 month reporting period - 8 months of FY 2014 + FY 2015

TIF NAME: West Irving Park Road Corridor RPA (TIF #4)

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

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

Property Acquired by the Municipality Within the Redevelopment Project Area

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

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

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

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

SECTION 5 - 65 ILCS 5/11-74.4-5 (d) (7) (G) and 65 ILCS 5/11-74.6-22 (d) (7) (G)

PAGE 1

20 month reporting period - 8 months of FY 2014 + FY 2015

TIF NAME: West Irving Park Road Corridor RPA (TIF #4)

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

Check here if NO projects were undertaken by the Municipality Within the Redevelopment Project Area: _____			
ENTER total number of projects undertaken by the Municipality Within the Redevelopment Project Area and list them in detail below*.			16 _____
TOTAL:	11/1/99 to Date	Estimated Investment for Subsequent Fiscal Year	Total Estimated to Complete Project
Private Investment Undertaken (See Instructions)	\$ 43,354,382	\$ 100,000	\$ 22,695,314
Public Investment Undertaken	\$ 1,143,559	\$ 65,000	\$ 3,280,452
Ratio of Private/Public Investment	37.9		6.9

Project 1: *IF PROJECTS ARE LISTED NUMBER MUST BE ENTERED ABOVE*Menards- 7435 Barrington Road*

Private Investment Undertaken (See Instructions)	\$ 12,035,300		\$ 12,035,300
Public Investment Undertaken	\$ 553,107	\$ 25,000	\$ 2,000,000
Ratio of Private/Public Investment	21.8		6.0

Project 2:*Popeyes Chicken*

Private Investment Undertaken (See Instructions)	\$ 1,000,000		\$ 1,000,000
Public Investment Undertaken	\$ 10,000		\$ 10,000
Ratio of Private/Public Investment	100.0		100.0

Project 3:*Schaumburg Library District - Hanover Park Branch*

Private Investment Undertaken (See Instructions)	\$ 23,040,005		\$ 2,304,005
Public Investment Undertaken	\$ 50,000		\$ 50,000
Ratio of Private/Public Investment	460.8		46.1

Project 4:*IPR/Kingsbury Pedestrian Signal*

Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$ 33,955		\$ 33,955
Ratio of Private/Public Investment	-		-

Project 5:*El Pollo Loco, 7310 Barrington Rd.*

Private Investment Undertaken (See Instructions)	\$ 790,231		\$ 790,231
Public Investment Undertaken			
Ratio of Private/Public Investment	0.0		0.0

Project 6:*Bank of America, 1500 Irving Park Rd.*

Private Investment Undertaken (See Instructions)	\$ 1,899,000		\$ 1,899,000
Public Investment Undertaken	\$ 50,000		\$ 50,000
Ratio of Private/Public Investment	38.0		38.0

Project 7: <i>Irving Park Streetscape/Lighting</i>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	21,497	\$ 21,497
Ratio of Private/Public Investment		-	-

Project 8: <i>Charter National Bank, 1420 Irving Park Rd.</i>			
Private Investment Undertaken (See Instructions)	\$	107,636	\$ 107,636
Public Investment Undertaken	\$	125,000	\$ 125,000
Ratio of Private/Public Investment		0.9	0.9

Project 9: <i>Harbor Freight Tools & Auto Zone, 1557-1559 Irving Park Rd.</i>			
Private Investment Undertaken (See Instructions)	\$	2,655,800	\$ 2,650,000
Public Investment Undertaken		\$40,000	\$ 690,000
Ratio of Private/Public Investment		-	3.8

Project 10: <i>Discount Tire (new bld), 1470 Barrington Rd.</i>			
Private Investment Undertaken (See Instructions)	\$	1,076,696	\$ 1,059,428
Public Investment Undertaken			
Ratio of Private/Public Investment		-	

Project 11: <i>Physicians Immediate Care (remodel), 7425 Barrington Rd.</i>			
Private Investment Undertaken (See Instructions)	\$	503,055	\$ 503,055
Public Investment Undertaken			
Ratio of Private/Public Investment		-	-

Project 12: <i>Midwest Title Loan (remodel), 1300 Irving Park Rd.</i>			
Private Investment Undertaken (See Instructions)	\$	42,675	\$ 42,675
Public Investment Undertaken			
Ratio of Private/Public Investment		-	-

Project 13: <i>Corfu Restaurant Purchase & Demo, 1311 Irving Park</i>			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken	\$	300,000	\$ 300,000
Ratio of Private/Public Investment		-	-

Project 14: <i>LA Tan (remodel), 1511 Irving Park Rd.</i>			
Private Investment Undertaken (See Instructions)	\$	40,000	\$ 40,000
Public Investment Undertaken			
Ratio of Private/Public Investment		-	-

Project 15: <i>Just Tires (repairs), 1539 Irving Park Rd.</i>			
Private Investment Undertaken (See Instructions)	\$	87,251	\$ 87,251
Public Investment Undertaken			
Ratio of Private/Public Investment		-	-

Project 16: <i>Los Comales Restaurant (int. remodel) 1519 Irving Pk</i>			
Private Investment Undertaken (See Instructions)	\$76,733	\$100,000	\$176,733
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 17:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 18:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 19:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 20:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 21:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 22:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 23:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 24:			
Private Investment Undertaken (See Instructions)			
Public Investment Undertaken			
Ratio of Private/Public Investment	0		0

Project 25:			
Private Investment Undertaken (See Instructions)			

Public investment Undertaken			
Ratio of Private/Public Investment	0		0



Village of Hanover Park Administration

Municipal Building
2121 Lake Street
Hanover Park, IL 60133-4398

630-823-5600
FAX 630-823-5786
www.hpil.org

PRESIDENT
RODNEY S. CRAIG

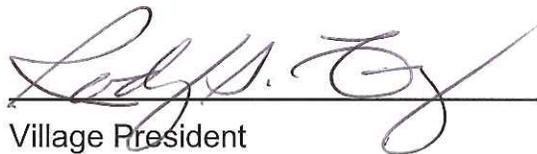
VILLAGE CLERK
EIRA CORRAL

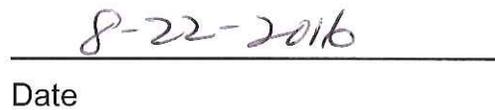
TRUSTEES
WILLIAM CANNON
JAMES KEMPER
JENNI KONSTANZER
JON KUNKEL
RICK ROBERTS
EDWARD J. ZIMEL, JR.

VILLAGE MANAGER
JULIANA A. MALLER

ATTACHMENT B

I, Rodney S. Craig, the elected Chief Executive Officer of the Village of Hanover Park, County of Cook and County of DuPage, State of Illinois, do hereby certify that to the best of my knowledge, the Village complied the West Irving Park Road Corridor RPA (TIF # 4) TIF Report with the requirements pertaining to the Illinois Tax Increment Redevelopment Allocation Act during the shortened fiscal year beginning May 1, 2014 and ending December 31, 2014 as well as the fiscal year beginning January 1, 2015 and ending December 31, 2015.


Village President


Date

LAW OFFICES OF
BERNARD Z. PAUL
231 SOUTH FOURTH STREET
DEKALB, ILLINOIS 60115-3732

BERNARD Z. PAUL
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OPINION OF LEGAL COUNSEL

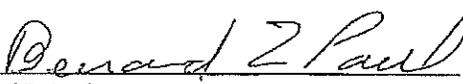
Re: Village of Hanover Park, Illinois (the "Village") West Irving Park Corridor Redevelopment Project Area - TIF #4 (the "TIF #4") / Annual Tax Increment Finance Report for the Fiscal Year ended December 31, 2015

In connection with the "Annual Tax Increment Finance Report" under 65 ILCS 5/11-74.4-5(d) (the "Act") for the fiscal year ending December 31, 2015 for the West Irving Park Corridor Redevelopment Project Area - TIF #4 (the "Annual Report"), I am acting as the Village Attorney for the Village of Hanover Park, and, based upon review of the Annual Report, in reliance on representations made by officers and employees of the Village in such Annual Report, and in reliance on the Village's officials and tax increment finance planners as to all proceedings preliminary to, in connection with and related to the adoption of tax increment finance, the approval of the redevelopment plan and redevelopment project and the designation of the West Irving Park Corridor Redevelopment Project Area - TIF #4, as such adoption, approval and designation have been supplemented and amended, but without making any independent investigation or inquiry in connection with any of the foregoing, as of December 31, 2015, nothing had come to my attention during said period to lead me to conclude other than that the Village as of such date was in compliance with the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et seq.*).

In connection herewith, I am assuming the accuracy, completeness and sufficiency of all documents, statements and representations by and on behalf of the Village and its officers and agents provided to me related to such TIF and in the Annual Report, and I express no opinion as to (i) the sufficiency or completeness of the Annual Report (or any West Irving Park Corridor Redevelopment Project Area - TIF #4 audit), (ii) the receipt and application of incremental taxes, or (iii) the authorization, execution and binding effect of any development or redevelopment or other similar agreement or payment of redevelopment project costs related to such TIF. This constitutes the "opinion of legal counsel" under the Act, and may not be cited or used in connection with anything other than submission with the Annual Report.

Dated as of: August 23, 2016

Very truly yours,


Bernard Z. Paul

Attachment D – Activities Statement

TIF #4 – West Irving Park Road Corridor RPA

Statement setting forth all activities undertaken in furtherance of the objectives of the redevelopment plan, including any project implemented in the preceding fiscal year and a description of the activities undertaken [65 ILCS 5/11-74.4-5 (d) (A and B) and 5/11-74.6-22 (d) (7) (A and B)]

The Village of Hanover Park, Illinois West Irving Park Road Corridor Tax Incremental Redevelopment Project and Plan (“TIF #4”) was approved on September 1, 2005. TIF #4 is located immediately east of Barrington Road, along Irving Park Road.

During the fiscal year beginning May 1, 2014 and ending December 31, 2015 (FY2014b – FY 2015), various activities and projects were undertaken in furtherance of the objectives of TIF #4, including the following:

- 1) The last outlot of the Tradewinds Shopping Center (Mendard’s Shopping Center) received Village approvals in 2014 for a 4,000 square foot Mattress Firm retail store. This property is located at the southeast corner of Bristol Lane and Irving Park Road and the improvements include a brick building and lush landscaping, in keeping with corridor goals.
- 2) Discount Tire, located at 1470 Irving Park Road, finished construction and opened their doors to the public during the reporting period.
- 3) The exterior renovation of 1557-1559 Irving Park Road completed and Harbor Freight built out their space and opened to the public in 2014. The Village of Hanover Park entered into a Redevelopment Agreement with Harbor Freight in 2013 to invest approximately \$2.5 million into the property including the exterior façade, the parking lot and site landscaping. Harbor Freight is obligated to a ten year lease and being open for business; and the reimbursement will occur only if funds are available.
- 4) The Village of Hanover Park installed a “For Sale” sign on the former Corfu Restaurant property located at 1311 Irving Park Road. Village representatives have received numerous inquiries about the property, but the Village is desirous of new restaurant or retail use for this property.

Attachment 1

RESOLUTION NO. R-14-15

RESOLUTION AUTHORIZING AN AMENDMENT TO REDEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF HANOVER PARK AND RICHARD L. BRESLICH TRUST NO. 1 AND JEAN G. BRESLICH TRUST NO. 1

BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES of the Village of Hanover Park, Illinois, that the Village President is hereby authorized and directed on behalf of the Village of Hanover Park to enter into an **AMENDMENT TO REDEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF HANOVER PARK AND RICHARD L. BRESLICH TRUST NO. 1 AND JEAN G. BRESLICH TRUST NO. 1** which Amendment to Redevelopment Agreement is approved by the Village Board and a copy of said Agreement is attached hereto and made a part hereof as Exhibit "A."

ADOPTED this 1st day of May, 2014, pursuant to a roll call vote as follows:

AYES: Roberts, Zimel, Kemper, Kunkel, Cannon

NAYS: Konstanzer

ABSENT: None

ABSTENTION: None

Approved: _____


Rodney S. Craig
Village President

Attest: _____


Eira Corral, Village Clerk

REDEVELOPMENT AGREEMENT

By and Between

THE VILLAGE OF HANOVER PARK, ILLINOIS,
an Illinois municipal corporation

and

**Richard L. Breslich Trust No. 1 and
Jean G. Breslich Trust No. 1**

Dated: October 16, 2013

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LIST OF EXHIBITS

Exhibit A	*Legal Description of the Redevelopment Area
Exhibit A-1	*Legal Description of the Property
Exhibit B	Description and Estimated Capital Costs of Harbor Freight
Exhibit C	Redevelopment Plan
Exhibit D	Elements of the Redevelopment Project Eligible for Reimbursement from TIF Funds
Exhibit E	Permitted Liens
Exhibit F	Opinion of Developer's Counsel
Exhibit G	Request for Reimbursement

(An asterisk (*) indicates which exhibits are to be recorded.)

-----space above for recording information-----

REDEVELOPMENT AGREEMENT
Richard L. Breslich Trust No. 1 and
Jean G. Breslich Trust No. 1

This Redevelopment Agreement (this "Agreement") is made as of this 29 day of October, 2013, by and between the Village of Hanover Park, an Illinois municipal corporation (the "Village"), and Richard L. Breslich Trust No. 1 and Jean G. Breslich Trust No. 1 (collectively the "Developer" or "Owner").

RECITALS

A. Constitutional Authority: As a home rule unit of government under Section 6(a), Article VII of the 1970 Constitution of the State of Illinois (the "State"), the Village has the power to regulate for the protection of the public health, safety, morals and welfare of its inhabitants, and pursuant thereto, has the power to encourage private development in order to enhance the local tax base, create employment opportunities and to enter into contractual agreements with private parties in order to achieve these goals.

B. Statutory Authority: The Village is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended from time to time (the "Act"), to finance projects that eradicate blighted conditions through the use of tax increment allocation financing for redevelopment projects and to exercise the power of eminent domain and all other powers under the Act.

C. Village Authority: To induce redevelopment pursuant to the Act, the President and Board of Trustees of the Village (the "Corporate Authorities") introduced and adopted the following ordinances on September 1, 2005: (1) "An Ordinance Adopting and Approving a Tax Increment Financing Redevelopment Plan For the Village of Hanover Park, Illinois (West Irving Park Road Corridor-TIF #4)"; (2) "An Ordinance Designating a Tax Increment Financing Redevelopment Project Area Within the Village of Hanover Park, Illinois (West Irving Park Road Corridor-TIF #4)"; and (3) "An Ordinance Adopting Tax Increment Financing for the Village of Hanover Park, Illinois, In Connection With the Designation of a Tax Increment Financing Redevelopment Project Area (West Irving Park Corridor-TIF #4)", (said ordinances hereinafter collectively referred to as the "TIF Ordinances"). The redevelopment project area (the "Redevelopment Area") is generally located at the intersection of Irving Park Road and

Barrington Road, generally including the frontage along both sides of Irving Park Road from east of Barrington Road to just west of Cumberland Drive on the north side of Irving Park Road and to just west of Longmeadow Lane on the south side of Irving Park Road.. The Redevelopment Area is legally described in Exhibit A hereto.

D. The Redevelopment Project: Prior to the adoption of the TIF Ordinances, the Developer has owned and continues to own the property in the Redevelopment Area that is legally described and depicted on Exhibit A-1 hereto (the "Property"). The Developer proposes the redevelopment of the property in preparation of a new retail tenant, Harbor Freight Tools USA, Inc., a Delaware corporation ("Harbor Freight"), which new tenant shall be obligated by a building lease agreement between Developer and Harbor Freight with a minimum term of ten (10) years for new occupancy by said tenant of a minimum of approximately 15,000 square feet of an existing approximate 25,000 square foot building as more accurately depicted in the building plans submitted to the Hanover Park Building Department for building permit review on August 22, 2013, which building and property are owned by Developer, said elements of the redevelopment are more completely described in Exhibit B. The Developer's estimate of the capital costs of the Harbor Freight is also contained in Exhibit B.

The specific objectives of the Developer in locating Harbor Freight in the Redevelopment Area include, without limitation:

Expansion of Developer's business in the area;

Access to a competent workforce; and

Access to tax increment financing to reduce the costs of the Redevelopment Project.

The potential contribution of the rehabilitation of the existing approximate 25,000 square foot building to include Harbor Freight to the local economy is substantial and includes:

Increased ad valorem property taxes;

An incentive for related private investment in adjacent properties not owned by Developer;

Strengthening of the Village's commercial sector; and

Employment opportunities during construction and operation of Harbor Freight.

The redevelopment of the Property by remodeling and rehabilitating with improvements described in this Agreement and the redevelopment of the existing approximate 25,000 square foot building to include approximately 15,000 square feet for Harbor Freight redevelopment is referred to herein as the "Redevelopment Project." The completion of the Redevelopment Project would not reasonably be anticipated without the tax increment financing contemplated in this Agreement.

E. Redevelopment Plan: The Redevelopment Project will be carried out in accordance with this Agreement and the Redevelopment Plan for the Establishment of a Redevelopment

Project Area in Hanover Park, Illinois (the "Redevelopment Plan") attached hereto as Exhibit C, as amended from time to time. The parties acknowledge that the Redevelopment Project conforms to the Redevelopment Plan and the comprehensive plan of the Village.

F. Village Financing: In order to achieve the objectives of the Redevelopment Plan, the Village agrees to use, in the amounts set forth in Section 4 hereof, a portion of the Incremental Taxes (the "Tax Increment Proceeds") generated by the Redevelopment Project to pay for or reimburse the Village and the Developer for the Redevelopment Project Costs pursuant to the terms and conditions of this Agreement, and also provide further economic incentive through sales tax reimbursement.

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

SECTION 1. RECITALS

The foregoing recitals are hereby incorporated into this Agreement by reference.

SECTION 2. DEFINITIONS

For purposes of this Agreement, in addition to the terms defined in the foregoing recitals, the following terms shall have the meanings set forth below:

"Environmental Laws" shall mean any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, as amended and hereafter amended, including but not limited to (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. Section 9601 et seq.); (ii) any so-called "Superfund" or "Superlien" law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. Section 1802 et seq.); (iv) the Resource Conservation and Recovery Act (42 U. S. C. Section 6902 et seq.); (v) the Clean Air Act (42 U.S.C. Section 7401 et seq.); (vi) the Clean Water Act (33 U.S.C. Section 1251 et seq.); (vii) the Toxic Substances Control Act (15 U.S.C. Section 2601 et seq.); (viii) the Federal Insecticide, Fungicide and Rodenticide Act (7 U.S.C. Section 136 et seq.); (ix) the Illinois Environmental Protection Act (415 ILCS 5/1 et seq.); and (x) the Municipal Code of Hanover Park, Illinois.

"Event of Default" shall have the meaning set forth in Section 11 hereof.

"First Disbursement" shall mean the first disbursement of TIF Funds for Redevelopment Project Costs.

"Hazardous Materials" shall mean any toxic substance, hazardous substance, hazardous material, hazardous chemical or hazardous, toxic or dangerous waste defined or qualifying as such in (or for the purposes of) any Environmental Law, or any pollutant or contaminant, and shall include, but not be limited to, petroleum (including crude oil), any radioactive material or by-product material, polychlorinated biphenyls and asbestos in any form or condition.

“Incremental Taxes” shall mean such ad valorem taxes which, pursuant to the TIF Ordinances and Section 5/11-74.4-8(b) of the Act, are allocated to and when collected are paid to the Finance Director of the Village for deposit by the Finance Director into the Special Tax Allocation Account established pursuant to the Act to pay Redevelopment Project Costs and obligations incurred in the payment thereof.

“Municipal Code” shall mean the Municipal Code of the Village of Hanover Park.

“Permitted Liens” shall mean those liens and encumbrances against the Property and/or the approximate 25,000 square foot building located thereon including Harbor Freight set forth on Exhibit E hereto.

“Redevelopment Project” shall mean the redevelopment of the Owners’ Property in accordance with this Agreement including the new Harbor Freight.

“Redevelopment Project Costs” shall mean the costs of those elements of the Redevelopment Project that are approved for payment from TIF Funds as redevelopment project costs under Section 5/11-74.4-3(q) of the Act and the provisions of this Agreement.

“Term of the Agreement” shall mean the period of time commencing on the date hereof and ending on the twenty-third anniversary of the adoption of the TIF Ordinances.

“TIF-Funded Redevelopment Project Costs” shall mean those Redevelopment Project Costs incurred by the Developer which are reimbursable from TIF Funds and which are identified in Exhibit D.

“TIF Funds” shall mean the Incremental Taxes described in Sections 4.01 - 4.03 hereof.

“Village Attorney” shall mean the Village Attorney of the Village of Hanover Park, Illinois.

“West Irving Park Road Corridor Redevelopment Project Area Special Tax Allocation Account” or the “TIF Fund” shall mean the special tax allocation fund created by the Village in the municipal treasury into which the Incremental Taxes will be deposited.

SECTION 3. THE REDEVELOPMENT PROJECT

A. The Redevelopment Project.

In order to accomplish in part the objectives of the Village to provide for the redevelopment of the Property in conformity with the Redevelopment Plan, the Village agrees to make certain TIF Funds available with respect to the Redevelopment Project as provided in Section 4 and the Developer agrees to rehabilitate, remodel, renovate, and redevelop the Property and improve it and the approximate 25,000 square foot building including operation of Harbor Freight as more fully described in Exhibit B.

B. Village Review of Plans and Specifications for the Redevelopment Project.

The parties agree that the drawings, plans and specifications submitted to the Village in connection with the Redevelopment Project conform to the Redevelopment Plan, as amended from time to time and this Agreement. The Developer represents that, to the best of its knowledge, the drawings, plans and specifications for the Redevelopment Project conform to all applicable federal, state and local laws, ordinances and regulations. Developer has provided Village with a copy of the fully executed minimum ten year term lease between Owner and Harbor Freight.

C. Evidence of Actual Expenditures.

Attached to this Agreement as Exhibit D is a listing of TIF-Funded Redevelopment Project Costs eligible for reimbursement from TIF Funds under the Act and this Agreement. From time to time, the Developer shall submit evidence to the Village of its expenditures with respect to Redevelopment Project identified on Exhibit D for which it intends to seek reimbursement of TIF-Funded Redevelopment Project Costs from TIF Funds. Such evidence shall be in a form requested by the Village that permits the Village to meet its reporting and audit obligations under the Act. Developer's reimbursement request shall be initiated with the Request for Reimbursement in the form attached hereto as Exhibit G. With respect to the TIF-Funded Redevelopment Project Costs, the evidence shall include, upon request of the Village, a copy of the pricing provisions from the contract or contracts for that work and information that the costs of the TIF-Funded Redevelopment Project Costs are commercially reasonable. In connection with each such submission, the Developer shall certify that:

- a) the total amount of the expenditures represents the actual amount paid by the Developer with respect to the Redevelopment Project;
- b) each of the expenditures is a TIF-Funded Redevelopment Project Cost under the Act and this Agreement;
- c) the Developer approved all services, work and materials and/or costs with respect to the expenditure, and such services, work and materials and/or costs substantially conform to the requirements of the Redevelopment Plan, this Agreement and the Act.

D. Village Approval. The Village shall promptly review and take action with respect to each expenditure submission. The Village shall approve those expenditure submissions that qualify under the Act and this Agreement for reimbursement from TIF Funds under the provisions of Section 4 hereof. Those approved expenditures are referred to herein as "TIF-Funded Redevelopment Project Costs".

E. Start Date. Developer agrees to cause the development of the Project. Development of the Project shall commence not later than the date that the last of the following events have taken place (the "Start Date"): Developer having received the last of all required governmental or quasi-governmental permits, approvals or clearances required in connection with its development of the Project (including, without limitation, building and similar permits to be issued by the Village; access or relocation permits if to be issued by the Illinois Department of Transportation

or Cook County Department of Transportation; and any other environmental permits and approvals from the Illinois Environmental Protection Agencies), provided, however, the Start Date shall commence on or before November 1, 2013 and shall be completed by December 31, 2013. If Developer does not begin the Project by the Start Date, this Agreement, at the option of the Village, becomes null and void.

F. Utilities, Fees and Assistance to Developer. The Village and Developer agree that Developer shall be obligated to pay in connection with the development of the Redevelopment Project, those water, sanitary sewer, building permit, engineering inspection, and other fees generally applicable in the Village. Developer hereby expressly acknowledges that the Village shall have no financing obligations in connection with the Redevelopment Project or the TIF Improvements except as expressly provided herein.

G. No Liens. Developer agrees that all TIF Improvements shall be free of all mechanics' and materialman's liens which could arise as a result of Developer's TIF Improvements. Developer hereby agrees and covenants to indemnify and hold harmless the Village from all costs and expenses, including reasonable attorneys' fees and costs of litigation, in the event any liens are filed in Redevelopment Project as a result of the acts or omissions of the Developer, its agents, or independent contractors.

H. Costs. The Village and Developer agree that Developer shall cause the construction of the TIF Improvements indicated on Exhibit B in accordance with the Plans to be approved by the Village. In addition to any other condition for reimbursement, to be eligible for reimbursement for the TIF Improvements or the Sales Tax Reimbursement, Developer shall first have expended at least \$2,650,000 in capital costs of the Redevelopment Project. Developer shall advance all funds and all costs necessary to complete the construction of such improvements and to otherwise complete the Redevelopment Project. Developer shall be responsible to complete all TIF Improvements and to complete the construction of all items referenced in the Plans which are approved by the Village, without regard to whether the actual cost of same exceeds the estimates therefore contained on Exhibit B.

SECTION 4. FINANCING; TIF-FUNDED REDEVELOPMENT PROJECT COSTS

A. Costs of Redevelopment Project and Sources of Funds. The Developer shall use equity or borrowed funds to pay for the costs of design and construction of the redevelopment of the Property as set forth in this Agreement including the new Harbor Freight and shall seek reimbursement for TIF-Funded Redevelopment Project Costs from TIF Funds generated by the Redevelopment Project (the "Property") as set forth in this Section.

B. Financing of TIF-Funded Redevelopment Project Costs.

1) The Village shall deposit the Incremental Taxes generated by the Redevelopment Area into the TIF Fund and will provide a portion of the monies deposited into the Special Tax Allocation Account solely from the Redevelopment Project Property of Developer to the Developer to reimburse it for the Redevelopment Project Costs with respect to the TIF-Funded Redevelopment Project Costs up to a maximum reimbursement of six hundred ninety thousand dollars (\$690,000) as follows:

a) During the term of this Agreement and upon proof of Developer's (Owner's) payment of the second installment of property taxes on the Redevelopment Project Property, the Incremental Taxes derived from the Redevelopment Project Property of Developer shall be annually deposited in the TIF Fund and shall be allocated and disbursed in accordance with this Agreement and the Act as follows:

From the Incremental Taxes generated solely from the Redevelopment Project Property of the Developer and deposited in the TIF Fund:

Fifty percent (50%) will annually be made available to the Developer to reimburse it for TIF-Funded Redevelopment Project Costs for the Redevelopment Project approved by the Village under the Act and pursuant to this Agreement.

Once the Developer has been paid the lesser of, a) six hundred ninety thousand dollars (\$690,000) or b) the total TIF-Funded Redevelopment Project Costs incurred by the Developer, from the Special Tax Allocation Account, then 100% of all remaining Incremental Taxes deposited shall be distributed by Village in accordance with the Redevelopment Plan and the Act.

C. Use and Disbursement of TIF Funds

1. Uses of TIF Funds. The Village's obligation to make payments for TIF-Funded Redevelopment Project Costs under this Agreement is a special obligation of the Village limited to TIF Funds and does not constitute a general obligation of the Village or a pledge of the taxing power of the Village. The Developer shall not have the right to compel the Village to exercise any taxing power to reimburse the Developer for TIF-Funded Redevelopment Project Costs. TIF Funds as provided for in this Agreement shall be used to reimburse the Developer for costs that constitute TIF-Funded Redevelopment Project Costs upon a determination by the Village that the Developer has submitted documentation satisfactory in form and substance to the Village evidencing such cost and its eligibility as a TIF-Funded Redevelopment Project Cost under the Act and this Agreement.

2. Conditional Grant of TIF Funds. Notwithstanding any other provision of this Agreement, the total amount of Incremental Taxes disbursed to the Developer with respect to any year shall in no event ever exceed an amount equal to forty percent (40%) of the Incremental Taxes received by the Village with respect to this Redevelopment Project Area (West Irving Park Corridor-TIF #4) for that calendar year during the term of this Agreement; provided further, that in no event shall the Developer ever receive in the aggregate Incremental Taxes in an amount in excess of six hundred ninety thousand dollars (\$690,000).

3. Preconditions to First Disbursement. The following conditions shall be complied with to the Village's satisfaction on or before the First Disbursement:

a) Opinion of the Developer's Counsel. The Developer shall furnish the Village with an opinion of counsel for the Developer, substantially in the form attached hereto as Exhibit F.

- b) Litigation. The Developer shall provide to the Village a description of all pending or threatened litigation or administrative proceedings involving the Developer which could have a material adverse effect on the Redevelopment Project.
- c) Governmental Approvals. The Developer shall have secured all necessary approvals and permits required by any state, federal, or local statute, ordinance or regulation and shall submit evidence thereof reasonably acceptable to the Village.
- d) Title. The Developer shall have furnished the Village with evidence, satisfactory to the Village, that the Developer is the title holder of the Property.
- e) Insurance. The Developer, at its own expense, shall have obtained for the Redevelopment Project the insurance required by Section 8 hereof and shall have delivered certificates evidencing the required coverages to the Village.
- f) Open for Business and Cost. Harbor Freight shall have been completed in accordance with the Redevelopment Plan, a minimum term ten year lease between Owner and Harbor Freight shall have been entered into for the Harbor Freight store on the Property and a copy delivered to the Village Attorney, the completion of all Exhibit B work at a cost of not less than \$2,650,000.00, the completion of all Exhibit D work in substantial compliance with the Site Improvement Plans prepared by Landmark Engineering Group, consisting of 2 pages and dated October 16, 2013, and the Village shall have issued a Certificate of Occupancy for Harbor Freight and the grand opening of Harbor Freight shall have occurred and its operations fully commenced.

4. Disbursement Certifications. From time to time during the term of this Agreement, the Developer may submit requests for reimbursement of TIF-Funded Redevelopment Project Costs from the Special Tax Allocation Account in the form attached hereto as Exhibit G. Delivery by the Developer to the Village of any request for disbursement of TIF Funds hereunder shall, in addition to the items therein expressly set forth, constitute a certification to the Village as of the date of such request for disbursement that:

- a) the representations and warranties contained in this Redevelopment Agreement are true and correct in all material respects and the Developer is in substantial compliance with all covenants contained herein;
- b) no Event of Default or condition or event which, with the giving of notice or passage of time or both, would constitute an Event of Default exists or has occurred;
- c) the Developer has satisfied all other preconditions to disbursement of TIF Funds for that disbursement, including but not limited to requirements set forth in the TIF Ordinances, this Agreement and the Act; and
- d) the requested disbursement is for TIF-Funded Redevelopment Project Costs which are qualified under applicable law and this Agreement and have been approved by the Village as required by this Agreement.

SECTION 5. COVENANTS/REPRESENTATIONS/WARRANTIES OF THE DEVELOPER

A. General. The Developer represents, warrants and covenants, as of the date of this Agreement and as of the date of each disbursement of TIF Funds hereunder, that:

1. the Trusts constituting the Developer is lawfully existing and is qualified to do business in Illinois;
2. the Developer has the right, power and authority to enter into, execute and deliver this Agreement and to perform its obligations hereunder;
3. the execution, delivery and performance by the Developer of this Agreement have been duly authorized by all necessary action, and does not violate any of the terms of the Trusts, as amended and supplemented, of the Developer, or any applicable provision of law, or constitute a breach of, default under or require any consent under any agreement, instrument or document to which the Developer is now a party or by which the Developer is now or may become bound;
4. the Developer is solvent and able to pay its debts as they mature;
5. there are no actions or proceedings by or before any court, governmental commission, board, bureau or any other administrative agency pending, or, to the knowledge of Developer, threatened or affecting the Developer which would materially impair its ability to perform under this Agreement;
6. the Developer has or will obtain all government permits, certificates and consents (including, without limitation, appropriate environmental approvals) necessary to conduct its business and to design, construct and operate Harbor Freight;
7. the Developer is not in default with respect to any indenture, loan agreement, mortgage, deed, note or any other agreement or instrument related to the borrowing of money to which the Developer is a party or by which the Developer is bound, which default would have a material adverse effect on the design, construction or operation of Harbor Freight;

B. Covenant to Redevelop. Developer's improvements shall comply with the current zoning, building, and sign ordinances and regulations of the Village. Upon the Developer's receipt of all required permits, governmental approvals, the Developer shall construct and operate the Redevelopment Project including all of its obligations under this Agreement and shall assure the operation of Harbor Freight in accordance with this Agreement, and all Exhibits attached to this Agreement, the TIF Ordinances, and all applicable federal, state and local laws, ordinances, rules, regulations, executive orders and codes applicable thereto. The covenant set forth in this Section 5(B) and the remedy for breach thereof provided in Section 12.B shall run with the land and be binding on any transferee. The right of the Developer to receive any disbursement of TIF Funds in any year shall be conditioned on its delivery to the Village of a certificate of compliance with respect to this covenant.

C. Redevelopment Plan. The Developer represents that the design, construction and operation of Harbor Freight is and shall be in compliance with all of the terms of the Redevelopment Plan.

D. Use of TIF Funds. TIF Funds disbursed to the Developer shall be used by the Developer solely to reimburse the Developer for its payment of the TIF-Funded Redevelopment Project Costs as provided in this Agreement.

E. Conflict of Interest. The Developer represents, warrants and covenants that, to the best of its knowledge, no member, official, or employee of the Village or of any Village commission or committee exercising authority over the Project, the Redevelopment Area or the Redevelopment Plan, or any consultant hired by the Village in the planning and preparation of the Redevelopment Plan or Project, owns or controls, has owned or controlled or will own or control any interest in the Developer, the Property or Harbor Freight.

F. Insurance. The Developer, at its own expense, shall comply with all provisions of Section 8 hereof.

G. Compliance with Laws. To the best of the Developer's knowledge, after diligent inquiry, the Property and Harbor Freight are as of the date hereof and shall remain in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, executive orders and codes pertaining to or affecting the Property and Harbor Freight and its operation.

H. Recording and Filing. The Village shall cause this Agreement, certain exhibits (as specified by the Village Attorney), all amendments and supplements hereto to be recorded and filed on the date hereof in the conveyance and real property records of Cook County, Illinois within fifteen (15) days after the date hereof. The Developer shall pay all fees and charges incurred in connection with any such recording. Upon recording, the Village shall transmit to the Developer an executed original of this Agreement showing the date and recording number of record.

I. Survival of Covenants. All warranties, representations, covenants and agreements of the Developer contained in this Section 5 and elsewhere in this Agreement shall be true, accurate and complete on the date of the Agreement and shall be in effect throughout the term of the Agreement.

J. To the extent required by law, the Developer shall comply with, and shall require its contractor to comply with, the Illinois Prevailing Wage Act, 820 ILCS 130/01 *et seq.* (the "PWA"). The Developer hereby agrees to indemnify and hold the Village harmless from all liability, loss, cost, fine, penalty, interest, or other expense, including court costs and attorneys' fees relating to any such judgments, awards, litigation, suits, demands or proceedings that may result from any failure by the Developer or its contractors or subcontractors to comply with the PWA.

SECTION 6. COVENANTS/REPRESENTATIONS/WARRANTIES OF VILLAGE

A. General Covenant. The Village represents, warrants and covenants, as of Closing, that:

1. Power. The Village has the right, power and authority as a home rule unit of local government to enter into, execute and deliver this Agreement and to perform its obligations hereunder;

2. Due Authorization. The execution, delivery and performance by the Village of this Agreement has been duly authorized by all necessary actions and will not violate any applicable provision of law or constitute a breach of, a default under, or require any consent under any agreement to which it is a party, or under any law by which it is bound; and

3. No Litigation. Except as has been disclosed in writing to Developer, there are no actions or proceedings before any court, governmental commission, board, bureau or any other administrative agency pending or, to the knowledge of the Village, threatened or affecting the Village which would impair its ability to perform under this Agreement.

B. Survival of Covenants. All warranties, representations, and covenants of the Village contained in this Section 6 or elsewhere in this Agreement shall be true, accurate, and complete on the date of this Agreement and shall be in effect throughout the term of the Agreement.

SECTION 7. ENVIRONMENTAL MATTERS

The Developer hereby represents and warrants to the Village that Harbor Freight will be constructed, completed and operated in accordance with all Environmental Laws and this Agreement and all Exhibits attached hereto and the Redevelopment Plan.

Without limiting any other provisions hereof, the Developer agrees to indemnify, defend and hold the Village harmless from and against any and all losses, liabilities, damages, injuries, costs, expenses or claims of any kind whatsoever including, without limitation, any losses, liabilities, damages, injuries, costs, expenses or claims asserted or arising under any Environmental Laws incurred, suffered by or asserted against the Village as a direct or indirect result of any of the following, regardless of whether or not caused by, or within the control of the Developer: (i) the presence of any Hazardous Material on or under, or the escape, seepage, leakage, spillage, emission, discharge or release of any Hazardous Material from (A) all or any portion of the Property or (B) any other real property in which the Developer, or any person directly or indirectly controlling, controlled by or under common control with the Developer, holds any estate or interest whatsoever, or (ii) any liens against the Property permitted or imposed by any Environmental Laws, or any actual or asserted liability or obligation of the Village or the Developer under any Environmental Laws relating to the Property.

SECTION 8. INSURANCE

A. Coverage. During the period of construction of TIF-Funded Redevelopment Project Costs, the Developer shall provide and maintain, at the Developer's own expense, or cause its contractor to provide the insurance coverages and requirements specified below (or in such other types and amounts as the Village may otherwise consent to by written instrument).

1. Coverage.

a) Worker's Compensation and Employers Liability Insurance. Worker's Compensation and Employers Liability Insurance, as prescribed by applicable law covering all employees who are to provide a service with respect to the TIF-Funded Redevelopment Project Costs and Employer's Liability coverage with limits of not less than \$500,000 each accident or illness;

b) Commercial General Liability Insurance (Primary and Umbrella). Commercial General Liability Insurance or equivalent with limits of not less than \$5,000,000 per occurrence for bodily injury, personal injury, and property damage liability. Coverages shall include the following: All premises and operations, products/completed operations (for a minimum of two years following completion), sudden and accidental pollution, independent contractors, separation of insured, defense, and contractual liability (with no limitation endorsement). The Village is to be named as an additional insured on a primary, non-contributory basis for any liability arising directly or indirectly from the work;

c) Automobile Liability Insurance (Primary and Umbrella). When any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed, the contractor shall provide Automobile Liability Insurance with limits of not less than \$2,000,000 per occurrence for bodily injury and property damage. The Village is to be named as an additional insured on a primary, noncontributory bases;

d) Builders Risk Insurance. When the contractor undertakes any construction, including improvements, betterments, and/or repairs, the contractor shall provide, or cause to be provided All Risk Builders Risk Insurance at replacement cost for materials, supplies, equipment, machinery and fixtures that are or will be part of the Redevelopment Project. Coverages shall include but are not limited to the following: collapse, boiler and machinery, if applicable; and

e) Professional Liability. When any architects, engineers, construction managers or other professional consultants perform work with respect to Redevelopment Project, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000. Coverage shall include contractual liability. When policies are renewed or replaced, the policy retroactive date must coincide with, or precede, start of work. A claims-made policy which is not renewed or replaced must have an extended reporting period of two (2) years.

B. Other Requirements. The Developer will furnish the Village original certificates of insurance evidencing the required coverage to be in force before beginning work, and renewal certificates of insurance, or such similar evidence, if the coverages have an expiration or renewal date occurring during the work. The receipt of any certificate does not constitute agreement by the Village that the insurance requirements in this Agreement have been fully met or that the insurance policies indicated on the certificate are in compliance with all requirements of the Agreement. The failure of the Village to obtain certificates or other insurance evidence from the Developer shall not be deemed to be a waiver by the Village. The Developer shall advise all insurers of the provisions of this Agreement regarding insurance. Non-conforming insurance shall not relieve the Developer of the obligation to provide insurance as specified herein. Nonfulfillment of the insurance conditions may constitute a violation of this Agreement, and the Village retains the right to terminate this Agreement until proper evidence of insurance is provided. The insurance shall provide for 30 days prior written notice to be given to the Village in the event coverage is substantially changed, canceled, or non-renewed. Any and all deductibles or self insured retentions on referenced insurance coverages shall be borne by the Developer. The Developer agrees that insurers shall waive rights of subrogation against the

Village, its employees, elected officials, agents, or representatives. The Developer expressly understands and agrees that any coverages and limits furnished by the Developer shall in no way limit the Developer's liabilities and responsibilities specified within this Agreement or by law. The Developer expressly understands and agrees that the Developer's insurance is primary and any insurance or self insurance programs maintained by the Village shall not contribute with insurance provided by the Developer under this Agreement. The required insurance shall not be limited by any limitations expressed in the indemnification language herein or any limitation placed on the indemnity therein given as a matter of law.

SECTION 9. INDEMNIFICATION

A. Developer Indemnification. The Developer agrees to indemnify, defend and hold the Village, its officials, agents and employees harmless from and against any losses, costs, damages, liabilities, claims, suits, actions, causes of action and expenses (including, without limitation, reasonable attorneys' fees and court costs) suffered or incurred by the Village, its officials, agents and employees and arising from or in connection with (i) the Developer's failure to comply with any of the terms, covenants and conditions contained within this Agreement, or (ii) the Developer's or any contractor's or subcontractor's of any tier failure to pay its contractor, any subcontractors of any tier or materialmen of any tier in connection with the Redevelopment Project undertaken by the Developer, or (iii) the existence of any material misrepresentation or omission in this Agreement or the Redevelopment Plan or any other document directly or indirectly related to this Agreement that is the result of information supplied or omitted to be supplied by the Developer or its agents, employees, contractors or persons acting under the control or at the request of the Developer, or (iv) the Developer's failure to cure any misrepresentation in this Agreement or any other agreement relating hereto.

SECTION 10. MAINTAINING RECORDS/RIGHT TO INSPECT

A. Books and Records. The Developer shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the total actual cost of the TIF-Funded Redevelopment Project Costs. All such books, records and other documents, including but not limited to, contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the Developer's offices during normal business hours for inspection, copying, audit and examination by an authorized representative of the Village at the Village's expense. The Developer shall incorporate this right to inspect, copy, audit and examine all books and records into all contracts entered into by the Developer with respect to any TIF-Funded Improvement.

B. Inspection Rights: In addition to property inspections pursuant to Village building codes and ordinances, upon three (3) business days' notice, any authorized representative of the Village shall have reasonable access to all portions of the Project and the Property during normal business hours during the construction of Harbor Freight.

SECTION 11. SALES TAX REIMBURSEMENT PROVISIONS

A. Prior to the first sales tax reimbursement, the Developer shall have satisfied the Preconditions to First Disbursement found in Section 4 C 3. of this Redevelopment Agreement,

and if so then in further consideration of the Developer redeveloping the Property, Village also agrees to reimburse the Developer for a portion of the costs of redeveloping the Property to develop a Harbor Freight retail operation. Village agrees to remit to the Developer certain monies without any interest whatever as follows:

(i) Commencing with the opening of Harbor Freight, Village shall reimburse Developer for a portion of its expenses pursuant to the schedule set forth below utilizing portions of the 1% Municipal Retailer's Occupation Tax, or the 1% Municipal Retailer's Service Tax or successor tax to the 1% Municipal Sales Tax that may be enacted by the State of Illinois as a replacement thereto (hereinafter collectively "Sales Tax Revenue") that is collected and received by Village as a result of business transactions by Harbor Freight within the Project as a result of Harbor Freight's sales activity. All sales occurring at Harbor Freight in the Village of Hanover Park which is located upon the Property will be taxed in the Village and the sales tax will be remitted to the Village. Amounts not paid to the Developer shall be retained by Village. In no case shall Developer ever be entitled to and remittance or reimbursement of Village's Home Rule Sales Tax.

(ii) The Sales Tax Revenue derived from Harbor Freight is allocated per the following formula: Annual Periods 1 to 10 - the Sales Tax Revenue is paid 60% to Village and 40% to Developer. Thereafter, the Sales Tax Revenue is paid 100% to Village.

All Sales Tax Revenues would be payable based upon the provisions set forth below.

(iii) Duration. Village's obligation to reimburse the Developer from its collected Sales Tax Revenue shall continue until the first to occur of any of the following events at which time its obligation shall end:

- (a) The Developer ceases to operate the approximate minimum 15,000 square foot Harbor Freight on the Property; or
- (b) Village has reimbursed the Developer and/or its successor from its collected Sales Tax Revenues from Harbor Freight store pursuant to the above and the split for a period of 10 years commencing with the opening of Harbor Freight's retail facility; or
- (c) The principal amount reimbursed to the Developer shall have reached \$264,000 (there being no interest due whatever); or

- (d) Notwithstanding any other term in this Agreement, December 31, 2023.

(iv) Calculation of Reimbursement.

- (a) The amount of the reimbursement shall be calculated on taxable sales made by Harbor Freight only.
- (b) The calculation shall be made on sales made beginning on the first day of the first complete month in which the Harbor Freight's facility is open for business and shall end 12 months later ("Annual Period"). Each subsequent Annual Period shall begin on the anniversary date of the first Annual Period and shall end 12 months later.

B. Sales Tax Reports and Reimbursement Mechanism. The Developer shall require Harbor Freight, as a provision in its lease with Harbor Freight, to provide Village with exact copies of any and all sales tax returns, sales tax reports, sales reports, amendments, or any other information whether paper or electronic (the "Documentation") filed with the State of Illinois or other appropriate Governmental entity, which documents are being provided to Village for purposes of identifying Sales Tax Revenues collected pursuant to this Economic Incentive Agreement. Further, Harbor Freight shall be required to sign documents required by Village and/or the Department of Revenue of the State of Illinois, to allow Village access to sales tax documents filed by Harbor Freight with the State of Illinois Department of Revenue for the Village store.

Within one hundred twenty (120) days following the end of each Annual Period, the Developer shall also submit to Village, true and correct copies of all Documentation or a summary thereof, as requested by Village needed to make the reimbursement for the Annual Period. Not later than thirty (30) days after receipt of all Documentation or a summary thereof, as determined by Village, for the applicable Annual Period, Village shall remit by its check in full to the Developer the Developer's share of the Sales Tax Revenue for that particular Annual Period provided, Village shall be under no obligation to remit any monies whatsoever until all Sales Tax Revenues are received by Village from the Illinois Department of Revenue for the applicable Annual Period and Village is satisfied through its verification that the amounts for Harbor Freight are an accurate reflection of the returns on file with Department of Revenue for the State of Illinois.

Since it is anticipated that there will be a three to four month lag in Village receiving its portion of the Sales Tax Revenue from the State of Illinois, but subject to the limitations of (iii) of paragraph A above, the reimbursement payments may continue following the expiration of the 10 year period until the final receipt of said Sales Tax Revenue by Village from the State of Illinois pursuant to this Agreement and until the final reimbursement payment is made to the Developer by Village. In no event shall the reimbursement to the Developer cover more than 10 Annual Periods.

Between the first day and the last day of each Annual Period and prior to either the payment of the last of monies, if any, to be paid to the Developer by Village for the prior Annual Period, Village and the Developer shall cooperate with one another in auditing all monies paid or to be paid and endeavor to agree upon the amount, if any, due from one to the other.

C. Waivers. The Developer agrees, that upon the request of Village, it shall furnish such consents or waivers as may be required by the Illinois Department of Revenue to allow the Illinois Department of Revenue to furnish Village with Sales Tax Revenue information concerning the Harbor Freight facility.

D. Indemnification as to Claims Arising from this Section 11. In the event that a claim, action or suit is made or filed against Village arising from this sales tax reimbursement economic incentive of this Section 11 or any undertaking by either party pursuant to this Section, Village shall notify the Developer thereof. The Developer agrees to defend, hold harmless and indemnify Village, its President, Trustees, representatives, employees, attorneys and agents in both their official and individual capacities, from and against any and all claims, actions and suits of every kind and nature, including liabilities, damages, costs, expenses and reasonable attorney's fees arising out of or alleged to have arisen out of the provisions of this Section 11 or any undertaking by either party pursuant to this Section 11. In the event it is finally determined by any court of competent jurisdiction (including exhaustion of all regular appeals) that any of the sales tax reimbursement cannot legally be performed by Village or are not within the statutory or constitutional authority conferred upon Village as a municipality, then no further liability for the performance of such sales tax reimbursement shall attach to Village or the Developer or any of their respective officials, officers, agents, attorneys or employees. The Developer's liability under this paragraph shall not exceed the costs and expenses of defense (including reasonable attorney's fees) and the repayment of all amounts paid by the Village as sales tax reimbursement to the Developer. The Village shall have no obligation to defend any such claim, suit or action or participate in any defense made by the Developer unless the cost and expense thereof is paid by the Developer.

E. Limited Obligation. Village's obligation to reimburse the Developer for a portion of the expense of redevelopment of the Property and its obligation to make any payments to the Developer and/or its successor or successors with sales tax reimbursement constitutes a limited obligation of Village payable solely from amounts available from the Sales Tax Revenue that is collected and remitted to Village as a result of business transactions occurring at the aforesaid Harbor Freight pursuant to this Section 11. Said obligations do not now and shall never constitute a general indebtedness of Village within the meaning of any State of Illinois constitutional or statutory provision, and shall not constitute or give rise to a pecuniary liability of the Village or a charge against its general credit or taxing power.

SECTION 12. DEFAULT AND REMEDIES

A. Events of Default. The occurrence of any one or more of the following events, subject to the provisions of Section 12.C, shall constitute an "Event of Default" hereunder:

1. the failure of a party to perform, keep or observe any of the material covenants, conditions, promises, agreements or obligations under this Agreement, or any related agreement;
2. the making or furnishing by a party of any representation, warranty, certificate, schedule, report or other communication within or in connection with this Agreement or any related agreement which is untrue or misleading in any material respect;
3. the closure of Harbor Freight (for the purposes of this provision "closure" shall be deemed to have occurred if Harbor Freight is not open and operating for a period in excess of ten consecutive weeks, unless such closure is due to 1) remodeling which results in a closure of not more than four (4) consecutive months or 2) an ongoing repair occasioned by a casualty which Developer is diligently pursuing).

B. Remedies. Upon the occurrence of an Event of Default, the non-defaulting party may terminate this Agreement. Upon the occurrence of an Event of Default by the Developer, the Village may discontinue all further disbursements of TIF Funds as of the occurrence of said Event of Default. In the event the non-defaulting party is the Developer, it may, in any court of competent jurisdiction by any action or proceeding at law or in equity, pursue and secure any available remedy against the Village, including but not limited to injunctive relief or the specific performance of the agreements contained herein.

C. Curative Period. In the event a party shall fail to perform a monetary covenant, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the defaulting party shall have failed to perform such monetary covenant within ten (10) days of its receipt of a written notice from the non-defaulting party specifying that it has failed to perform such monetary covenant. In the event the defaulting party shall fail to perform a non-monetary covenant, notwithstanding any other provision of this Agreement to the contrary, an Event of Default shall not be deemed to have occurred unless the defaulting party shall have failed to cure such default within thirty (30) days of its receipt of a written notice from the non-defaulting party specifying the nature of the default; provided, however, with respect to those non-monetary defaults which are not capable of being cured within such thirty (30) day period, the defaulting party shall not be deemed to have committed an Event of Default under this Agreement if it has commenced to cure the alleged default within such thirty (30) day period and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

SECTION 13. NON-ASSIGNMENT MORTGAGING AND SALE OF THE PROJECT

Except as provided for below, the Developer's rights and duties under this Agreement shall not be assignable, delegated, or transferable at any time without the prior written approval of the Village, which after six months from the date of this Agreement will not be unreasonably withheld. Any assignment of legal or equitable right, delegation, or transfer without such consent shall make this Agreement null and void at the option of Village. The lease of the property or part of it to users of the Project or part of it is not prohibited by this Agreement.

If a bona fide mortgagee, who has lent to Developer on this Redevelopment Project at least 50% of the aggregate of the total Cost Estimate on Exhibit B, shall succeed to the Developer's

interest in the Property or any portion thereof pursuant to the exercise of remedies under the mortgage, whether by foreclosure or deed in lieu of foreclosure, and in conjunction therewith accepts an assignment of the Developer's interest hereunder in accordance with the terms of this Agreement, the Village hereby agrees to attorn to and recognize such party as the successor in interest to the Developer for all purposes under this Agreement so long as such mortgagee accepts all of the obligations and liabilities of the Developer hereunder. However, if such person does not expressly accept an assignment of such interest, that person shall be entitled to no right or benefits and shall have no obligations under this Agreement.

SECTION 14. NOTICE

Unless otherwise specified, any notice, demand or request required hereunder shall be given in writing at the address set forth below, by any of the following means: (a) personal service; (b) telecopy or facsimile; (c) overnight courier, or (d) registered or certified mail, return receipt requested.

If to the Village	Village of Hanover Park, Illinois 2121 Lake Street Hanover Park, IL 60103 Attn: Village Manager Fax: (630) 823-5786
With a copy to:	Village of Hanover Park, Illinois 2121 Lake Street Hanover Park, IL 60103 Attn: Village Attorney Fax: (630) 823-5786
If to the Developer:	Richard L. Breslich Trust No. 1 and Jean G. Breslich Trust No. 1 440 Wing Park Blvd. Elgin, IL 60123 Fax:
With a copy to:	William C. Graft Graft & Jordan 2800 West Higgins Road, Suite 980 Hoffman Estates, IL 60169 Fax: 847-519-7301

Such addresses may be changed by notice to the other parties given in the same manner provided above. Any notice, demand, or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the business day immediately following deposit with the overnight courier and any notices, demands or requests sent pursuant to subsection (d) shall be deemed received two (2) business days following deposit in the mail.

SECTION 15. MISCELLANEOUS

A. Amendment. Except as provided herein, this Agreement and the Exhibits attached hereto may not be amended without the prior written consent of the parties.

B. Entire Agreement. This Agreement (including each Exhibit attached hereto, which is hereby incorporated herein by reference) constitutes the entire Agreement between the parties hereto and it supersedes all prior agreements, negotiations and discussions between the parties relative to the subject matter hereof.

C. Limitation of Liability. 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 from the Village or any successor in interest or on any obligation under the terms of this Agreement.

D. Further Assurances. The Developer and the Village each agrees to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications as may become necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

E. Waiver. Waiver by the Village or the Developer with respect to any breach of this Agreement shall not be considered or treated as a waiver of the rights of the respective party with respect to any other default or with respect to any particular default, except to the extent specifically waived by the Village or the Developer in writing.

F. Remedies Cumulative. The remedies of a party hereunder are cumulative and the exercise of any one or more of the remedies provided for herein shall not be construed as a waiver of any other remedies of such party unless specifically so provided herein.

G. Disclaimer. Nothing contained in this Agreement nor any act of the Village shall be deemed or construed by any of the parties, or by any third person, to create or imply any relationship of third-party beneficiary, principal or agent, limited or general partnership or joint venture, or to create or imply any association or relationship involving the Village.

H. Headings. The paragraph and section headings contained herein are for convenience only and are not intended to limit, vary, define or expand the content thereof.

I. Counterparts. This Agreement may be executed in several counterparts, each of which shall be deemed an original and all of which shall constitute one and the same agreement.

J. Severability. If any provision in this Agreement, or any paragraph, sentence, clause, phrase, word or the application thereof, in any circumstance, is held void or invalid by a court of competent jurisdiction, such holding shall not affect the other provisions of this Agreement which, can be given effect without the invalid or void provision and to this effect the provisions of this Agreement are severable.

K. Conflict. In the event of a conflict between any provisions of this Agreement and the provisions of the TIF Ordinances such ordinance(s) shall prevail and control.

L. Governing Law. This Agreement shall be governed by and construed in accordance with the internal laws of the State of Illinois, without regard to its conflicts of law principles.

M. Form of Documents. All documents required by this Agreement to be submitted, delivered or furnished to the Village shall be in form and content reasonably satisfactory to the Village.

N. Approval. Wherever this Agreement provides for the approval or consent of a party, or any matter is to be to the party's satisfaction, unless specifically stated to the contrary, such approval, consent or satisfaction shall be made, given or determined by the party, in writing and in the reasonable discretion thereof.

O. Binding Effect. Subject to SECTION 13, this Agreement shall be binding upon the Developer, the Village and their respective successors and assigns and shall inure to the benefit of the Developer, the Village and their successors and assigns.

P. Force Majeure. Neither the Village nor the Developer nor any successor in interest to either of them shall be considered in breach of or in default of its obligations under this Agreement in the event of any delay caused by damage or destruction by fire or other casualty, strike, shortage of material, unusually adverse weather conditions such as, by way of illustration and not limitation, severe rain storms or below freezing temperatures of abnormal degree or for an abnormal duration, tornadoes or cyclones, and other events or conditions beyond the reasonable control of the party affected which in fact interferes with the ability of such party to discharge its obligations hereunder.

Q. Exhibits. All of the exhibits attached hereto are incorporated herein by reference.

R. Settlors and Beneficiaries of the Trusts. The following two Settlers and Beneficiaries of the two Trusts that constitute the Developer and their residence address are:

NAME	ADDRESS
Richard L. Breslich	440 Wing Park Blvd. Elgin, IL 60123
Jean G. Breslich	440 Wing Park Blvd. Elgin, IL 60123

By signing this Agreement in any capacity and guaranteeing its performance, each of the aforesaid represent and warrant to the Village (1) that they have not been involved in a personal bankruptcy or a bankruptcy of a business that they were a partner, officer, or stockholder of five (5%) percent or more of the stock, within the past seven years and (2) that there are no outstanding judgments against them or either of them, and there is no litigation pending against any of them individually, jointly, or as an officer or principal of any company.

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

Richard L. Breslich as Trustee under the provisions of a Trust Agreement dated September 8, 1987 and known as Richard L. Breslich Trust No. 1 to an undivided one-half interest

By: Richard L. Breslich Trustee
Richard L. Breslich, Trustee

Jean G. Breslich as Trustee under the provisions of a Trust Agreement dated September 8, 1987 and known as Jean G. Breslich Trust No. 1 to an undivided one-half interest

By: Jean Breslich
Jean G. Breslich, Trustee

VILLAGE OF HANOVER PARK, ILLINOIS,
an Illinois municipal corporation

By: [Signature]
Its: Village President

GUARANTEE

On this *17th* day of *October*, 2013, for and in consideration of the Village of Hanover Park entering into the aforesaid Redevelopment Agreement, which would not be entered into by Village without this guarantee as an inducement to do so, and for other good and valuable consideration, the undersigned, Richard L. Breslich and Jean G. Breslich, jointly and severally hereby guarantee full and complete performance by Developer, its authorized and permitted successors or assigns of all covenants and agreement of the above Redevelopment Agreement by it or them.

Richard L. Breslich

Richard L. Breslich

Jean Breslich

Jean G. Breslich

(To be signed by each person listed in R. of Section 15. of the Agreement)

EXHIBIT A

LEGAL DESCRIPTION OF THE REDEVELOPMENT AREA

IRVING PARK ROAD CORRIDOR REDEVELOPMENT PROJECT AREA

That part of the southwest fractional quarter and the southeast quarter of Section 30, Township 41 North, Range 10 East of the Third Principal Meridian described as follows:

Commencing at the southwest corner of Lot 3 of the Hanover Highlands Unit 10 Subdivision, recorded as Document No. 20672558 as a point of beginning, that point also being the intersection of the east right-of-way line of Barrington Road and the north right-of-way line of Bristol Lane; thence 171.57 ft. easterly along said north right-of-way line of Bristol Lane to a point of deflection; thence 939.54 ft. southeasterly along said north right-of-way line to the southeast corner of Lot 4 of Hanover Highlands Unit 10 Subdivision; thence continuing southeasterly 60.00 ft. along the extension of said north right-of-way line to the northwest corner of Lot 6 of the Pasquinelli's Coventry Place Subdivision, recorded as Document No. 93371220, that point also being on the east right-of-way line of Kingsbury Drive; thence 166.84 ft. southerly along said east right-of-way line of Kingsbury Drive; thence 133.52 ft. southerly along an arc convex to the west with a radius of 170.00 ft.; thence 313.41 ft. southeasterly along said east right-of-way line; thence 86.57 ft. southerly along an arc convex to the east with a radius of 230.00 ft. to the southwest corner of Lot 21 of Pasquinelli's Coventry Place Subdivision; thence 208.16 ft. easterly to the southeast corner of Pasquinelli's Coventry Place Subdivision, that point also being on the north right-of-way line of Bristol Lane; thence 135.00 feet easterly along said north right-of-way line of Bristol Lane to the southeast corner of Lot 1 of Block 32 of the Hanover Highlands Unit 5 Subdivision, recorded as Document No. 19868966; thence continuing easterly 60.00 ft. along the direction of said north right-of-way line to a point on the east right-of-way line of Cumberland Drive; thence 363.10 ft. south along said east right-of-way line of Cumberland Drive to the southwest corner of Lot 1 of Block 34 of the Hanover Highlands Unit 5 Subdivision, that point also being the intersection of the east right-of-way line of Cumberland Drive and the north right-of-way line of Irving Park Road; thence 200.54 ft. easterly along said north right-of-way line of Irving Park Road; thence 395.09 ft. southerly to a point on a line parallel to and 293.22 ft. south of the south right-of-way line of Irving Park Road and 2000.00 ft. east of the west line of Section 30, Township 41 North, Range 10 East of the Third Principal Meridian, that point also being the southeast corner of the lot commonly known as 1301 Irving Park Road; thence 1947.07 ft. westerly along a line parallel to and 293.22 ft. south of the south right-of-way line of Irving Park Road to a point on the east right-of-way line of Barrington Road; thence 1249.87 ft. north along said east right-of-way line of Barrington Road to the point of beginning, encompassing 45.86 acres all in Cook County, Illinois.

EXHIBIT A-1

LEGAL DESCRIPTION OF THE PROPERTY

THAT PART OF THE FRACTIONAL SOUTHWEST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS: COMMENCING AT THE POINT OF INTERSECTION OF THE WEST LINE OF SAID SOUTHWEST 1/4 WITH THE CENTER LINE OF IRVING PARK ROAD AS CONSTRUCTED, SAID POINT BEING 907.88 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SOUTHWEST 1/4; THENCE SOUTH ALONG THE WEST LINE OF SAID SOUTHWEST 1/4, 387.34 FEET; THENCE SOUTH 78 DEGREES 42 MINUTES 05 SECONDS EAST, 483.112 FEET ALONG A LINE PARALLEL WITH THE CENTER LINE (AS CONSTRUCTED AND PER PLAT OF DEDICATION RECORDED AS DOCUMENT NUMBER 11203459) OF SAID IRVING PARK ROAD AND THE NORTHWESTERLY EXTENSION THEREOF; THENCE NORTH 11 DEGREES 17 MINUTES 55 SECONDS EAST ALONG A LINE PERPENDICULAR TO THE LAST DESCRIBED COURSE, 343.217 FEET TO A POINT ON SAID CENTER LINE OF IRVING PARK ROAD; THENCE NORTH 78 DEGREES 42 MINUTES 05 SECONDS WEST ALONG SAID CENTER LINE, 150.959 FEET; THENCE CONTINUING ALONG SAID CENTER LINE NORTHWESTERLY 410.235 FEET ALONG THE ARC OF A CIRCLE OF 2292.01 FEET RADIUS CONVEX TO THE SOUTHWEST AND TANGENT TO THE LAST DESCRIBED LINE, TO THE POINT OF BEGINNING, EXCEPTING FROM THE ABOVE DESCRIBED PARCEL OF LAND THE TWO PARTS THEREOF DESCRIBED AS FOLLOWS:

EXCEPTION #1:

COMMENCING AT A LINE IN ABOVE DESIGNATED POINT OF BEGINNING; THENCE SOUTHEASTERLY 250.00 FEET ALONG THE AFORESAID ARC OF A CIRCLE; THENCE SOUTH 230.00 FEET ALONG A LINE PARALLEL WITH THE WEST LINE OF SAID SOUTHWEST 1/4; THENCE NORTH 71 DEGREES 34 MINUTES 16 SECONDS WEST, 249.873 FEET TO A POINT ON SAID WEST LINE, 230.00 FEET SOUTH OF THE AFORESAID POINT OF BEGINNING; THENCE NORTH ALONG SAID WEST LINE, 230.00 FEET TO SAID POINT OF BEGINNING, IN COOK COUNTY, ILLINOIS

EXCEPTION #2:

THAT PART OF THE FRACTIONAL SOUTHWEST 1/4 OF SECTION 30, TOWNSHIP 41 NORTH, RANGE 10 EAST OF THE THIRD PRINCIPAL MERIDIAN, DESCRIBED AS FOLLOWS:

COMMENCING AT THE POINT OF INTERSECTION OF THE WEST LINE OF SAID SOUTHWEST 1/4 WITH THE CENTER LINE OF IRVING PARK ROAD AS CONSTRUCTED, SAID POINT BEING 907.88 FEET NORTH OF THE SOUTHWEST CORNER OF SAID SOUTHWEST 1/4; THENCE SOUTH 0 DEGREES 00 MINUTES 00 SECONDS WEST ALONG THE WEST LINE OF SAID SOUTHWEST 1/4, A DISTANCE OF 230.00 FEET TO THE POINT OF BEGINNING; THENCE CONTINUING SOUTH 0 DEGREES 00 MINUTES 00 SECONDS WEST ALONG SAID WEST LINE, A DISTANCE OF 157.34 FEET; THENCE SOUTH 78 DEGREES 42 MINUTES 05 SECONDS EAST, A DISTANCE OF 241.744 FEET; THENCE NORTH 0 DEGREES 00 MINUTES 00 SECONDS EAST A DISTANCE OF 125.711 FEET TO A POINT, LYING 249.873 FEET SOUTH 71 DEGREES 34 MINUTES 16 SECONDS EAST FROM THE POINT OF BEGINNING, THENCE NORTH 71 DEGREES 34 MINUTES 16 SECONDS WEST, A DISTANCE OF 249.873 FEET TO THE POINT OF BEGINNING; (EXCEPT THAT PART THEREOF LYING WEST OF THE EAST LINE OF BARRINGTON ROAD, AS PER PLAT OF DEDICATION RECORDED JULY 11, 1982 AS DOCUMENT NO. 11114250), IN COOK COUNTY, ILLINOIS

EXHIBIT B

DESCRIPTION AND ESTIMATED CAPITAL COSTS
OF THE REDEVELOPMENT PROJECT
NOT LESS THAN \$2,650,000

- Site Improvements:
 - o Remove and reconstruct Parking Lot
 - o Install new landscape areas and plantings throughout site
 - o Install new site lighting, including on building and in parking lot
 - o Re-engineer storm water drainage onsite with proper out flow, installing new storm drain system in accordance with Village approved plans
 - o Construct new code-compliant trash enclosure
 - o Reconstruct exterior walkways both on public and private property, including ADA accessibility
 - o Remove underground propane tank

- Exterior Building Improvements:
 - o Replace existing roof with new roof
 - o Replace existing and provide new HVAC units
 - o Repair overhead doors along rear of building
 - o Install reinforcing finish on brick exterior walls, including tuck pointing and reinforcing as necessary
 - o Install new façade along north and west elevations and follow Village design guidelines, materials to be approved by Village
 - o Replace rain gutters and integrate into site drainage system as approved by Village

- Interior Building Improvements: (vacant space only)
 - o Rehabilitate concrete floors
 - o Upgrade electrical service to meet current code
 - o Upgrade interior lighting to meet current code
 - o Upgrade fire sprinklers to meet current code
 - o Reconstruct restrooms to ADA Standards and to meet current code
 - o Reseal windows to meet current code
 - o Obtain a detailed asbestos report and Remove asbestos as necessary within building and roof

EXHIBIT C

REDEVELOPMENT PLAN

Irving Park Road Corridor Project Redevelopment Area

Tax Increment Financing District

Eligibility Study, Redevelopment Plan, and Project

Village of Hanover Park

June 6, 2005

As on File with the Village of Hanover Park

EXHIBIT D

TIF-FUNDED REDEVELOPMENT PROJECT COSTS ELIGIBLE FOR TIF FUNDS

Element	Estimated Cost
TIF-Funded Redevelopment Project Costs	\$850,000

Site Improvements

- Remove and reconstruct Parking Lot
- Install new landscape areas and plantings throughout site
- Install new site lighting, including on building and in parking lot
- Re-engineer storm water drainage onsite with proper out flow, installing new storm drain system in accordance with Village approved plans
- Construct new code-compliant trash enclosure
- Reconstruct exterior walkways both on public and private property, including ADA accessibility
- Remove underground propane tank

In substantial conformance with Site Improvement Plans prepared by Landmark Engineering Group, consisting of 2 pages and dated October 16, 2013.

EXHIBIT E

PERMITTED LIENS

One proposed first mortgage in an amount not to exceed \$3,000,000.00

EXHIBIT F

OPINION OF DEVELOPER'S COUNSEL

[To be retyped on the Developer's Counsel's letterhead]

_____, 2013

Village of Hanover Park
2121 Lake Street
Hanover Park, IL 60103

Ladies and Gentlemen:

We have acted as counsel to the Richard L. Breslich as Trustee under the provisions of a Trust Agreement dated September 8, 1987 and known as Richard L. Breslich Trust No. 1 to an undivided one-half interest, and Jean G. Breslich as Trustee under the provisions of a Trust Agreement dated September 8, 1987 and known as Jean G. Breslich Trust No. 1 to an undivided one-half interest, and to Richard L. Breslich and Jean G. Breslich (the "Developer"), in connection with the construction of certain facilities thereon located in the West Irving Park Road Corridor Redevelopment Project Area (the "Project"). In that capacity, we have examined, among other things, the following agreements, instruments and documents of even date herewith, hereinafter referred to as the "Documents":

- (a) a Redevelopment Agreement (the "Agreement") of even date herewith, executed by the Developer and the Village of Hanover Park (the "Redevelopment Agreement");
- (b) the original or certified, conformed or photostatic copies of the Developer's (i) Trust Agreements, (ii) qualification to do business and certificates of good standing in Wisconsin and Illinois, and (iii) records of all Trust proceedings relating to the Project; and
- (c) such other documents, records and legal matters as we have deemed necessary or relevant for purposes of issuing the opinions hereinafter expressed.

In all such examinations, we have assumed the genuineness of all signatures (other than those of the Developer), the authenticity of documents submitted to us as originals and conformity to the originals of all documents submitted to us as certified, conformed or photostatic copies.

Based on the foregoing, it is our opinion that with respect to the Developer:

Attachment 3

1. The Developer consists of two inter vivos Trust Agreements validly existing and valid under the laws of the State of Illinois, has full power and authority to own and lease its properties and to carry on its business as presently conducted, and is in good standing and duly qualified to do business under the laws of Illinois.

2. Developer has full right, power and authority to execute and deliver the Agreement and to perform its obligations thereunder. Such execution, delivery and performance will not conflict with, or result in a breach of, the Developer's Trust Agreements or result in a breach or other violation of any of the terms, conditions or provisions of any law or regulation, order, writ, injunction or decree of any court, government or regulatory authority, or, to the best of our knowledge after diligent inquiry, any of the terms, conditions or provisions of any agreement, instrument or document to which the Developer is a party or by which the Developer or its properties is bound. To the best of our knowledge after diligent inquiry, such execution, delivery and performance will not constitute grounds for acceleration of the maturity of any agreement, indenture, undertaking or other instrument to which the Developer is a party or by which it or any of its property may be bound, or result in the creation or imposition of (or the obligation to create or impose) any lien, charge or encumbrance on, or security interest in, any of its property pursuant to the provisions of any of the foregoing.

3. The execution and delivery of the Agreement and the performance of the transactions contemplated thereby have been duly authorized and approved by all requisite action on the part of the Developer.

4. The Agreement has been duly executed and delivered by a duly authorized representative of Developer, the currently authorized and acting Trustee, and constitutes the legal, valid and binding obligation of the Developer, enforceable in accordance with its terms, except as limited by applicable bankruptcy, reorganization, insolvency or similar laws affecting the enforcement of creditors' rights generally.

5. To the best of our knowledge after diligent inquiry, no judgments are outstanding against Developer or the two guarantors of the Redevelopment Agreement, nor is there now pending or threatened, any litigation, contested claim or governmental proceeding by or against the Developer or the guarantors or affecting the Developer or its property or the guarantors, or seeking to restrain or enjoin the performance by the Developer of the Agreement or the transactions contemplated by the Agreement, or contesting the validity thereof. To the best of our knowledge after diligent inquiry, the Developer nor the guarantors are not in default with respect to any order, writ, injunction or decree of any court, government or regulatory authority or in default in any respect under any law, order, regulation or demand of any governmental agency or instrumentality, a default under which would have a material adverse effect on the Developer, the guarantors, or its or their business.

6. To the best of our knowledge after diligent inquiry, there is no default by the Developer or the guarantors or any other party under any material contract, lease, agreement, instrument or commitment to which the Developer is a party or by which it or its properties is bound.

Attachment 3

7. To the best of our knowledge after diligent inquiry, the real estate on which the Project is located is free and clear of mortgages, liens, pledges, security interests and encumbrances except for those specifically set forth in the Agreement.

8. The execution, delivery and performance of the Agreement by the Developer have not and will not require the consent of any person or the giving of notice to, any exemption by, any registration, declaration or filing with or any taking of any other actions in respect of, any person, including without limitation any court, government or regulatory authority.

9. To the best of our knowledge after diligent inquiry, the Developer owns or possesses the property, permits and other governmental approvals and authorizations, operating authorities, certificates of public convenience, goods carriers permits, authorizations and other rights that are necessary for the operation of its business.

We are attorneys admitted to practice in the State of Illinois and we express no opinion as to any laws other than federal laws of the United States of America and the laws of the State of Illinois.

This opinion is issued at the Developer's request for the benefit of the Village of Hanover Park and its counsel and may not be disclosed to or relied upon by any other person.

Very truly yours,

EXHIBIT G

REQUEST FOR REIMBURSEMENT

The undersigned developer, _____, does hereby certify, swear and affirm under oath to the Village of Hanover Park as follows:

1. That since submission of the last request for reimbursement, if any, to the Village of Hanover Park, Illinois, (the "Village"), _____ has expended or has caused to be expended the sum of \$ _____ (the "Expenditures") on the following TIF FUNDED REDEVELOPMENT PROJECT COSTS eligible for reimbursement. Project Costs for work which has been completed by the contractor on Owner's Property / Harbor Freight (the Project) or in support of it through _____, 2013, as follows:

ITEM NO.	ITEM DESCRIPTION	QUANTITY AWARDED	COMPLETED	UNIT PRICE	TOTAL
	TOTAL VALUE OF WORK COMPLETED TO DATE			\$	
	TOTAL TO BE RETAINED (usually 10%)			\$	
	AMOUNT OF PREVIOUS PAYMENT			\$	
	TOTAL AMOUNT DUE			\$	

2. Total for which certification is sought:

3. That all of the Expenditures have been made in accordance with the Redevelopment Agreement, and the Law.

I certify that the above quantities and amounts are correct and are eligible for payment and:

- the total amount of the expenditures represents the actual amount paid by the Developer with respect to the Redevelopment Project;
- each of the expenditures is a TIF-Funded Redevelopment Project Cost under the Act and this Agreement;
- the Developer approved all services, work and materials and/or costs with respect to the expenditure, and such services, work and materials and/or costs substantially conform to the requirements of the Redevelopment Plan, this Agreement and the Act.

I further certify that all funds expended or caused to be expended (the expenditures) as above described for project costs were solely private funds of Developer and no such funds had their origin directly or indirectly from government funds (federal, state or local grants or loans).

Subscribed and sworn to before me
this ____ day of _____, 2013.

Notary Public



Village of Hanover Park Administration

Municipal Building
2121 Lake Street
Hanover Park, IL 60133-4398

630-823-5600
FAX 630-823-5786
www.hpil.org

PRESIDENT
RODNEY S. CRAIG

VILLAGE CLERK
EIRA CORRAL

TRUSTEES
WILLIAM CANNON
JAMES KEMPER
JENNI KONSTANZER
JON KUNKEL
RICK ROBERTS
EDWARD J. ZIMEL, JR.

VILLAGE MANAGER
JULIANA A. MALLER

ATTACHMENT H
JRB MTG MINUTES

VILLAGE OF HANOVER PARK JOINT REVIEW BOARD MEETING TIF #4

**Municipal Building, Village Board Room 214
2121 W. Lake Street
Hanover Park, IL 60133**

**Wednesday, March 18, 2015
10:30 a.m.**

MINUTES

1. CALL TO ORDER: ROLL CALL

Mayor Craig called the meeting to order at 10:31 a.m.

Present:

Larry Weniger	Schaumburg Township
Stephanie Sarnoff	Schaumburg Township Pub Lib Dist.
Ric King	School District CC54
Bret Bonnstetter	Harper College District #512
Adam Cortes	Public Member, Hanover Park Community Bank
Rodney Craig	Mayor, Village of Hanover Park
Juliana Maller	Village Manager, Village of Hanover Park

Staff:

Community & Economic Development Director Shubhra Govind
Finance Director Rebekah Flakus
Asst. Finance Director Marilyn Clarke
Deputy Clerk Tish Clark
Village Planner Katie Bowman,
Administrative Assistant Kathleen Arnold

2. ACCEPTANCE OF AGENDA:

Motion by Larry Weniger, seconded by Stephanie Sarnoff to accept the Agenda.

Voice Vote; All ayes.

3. APPROVAL OF MINUTES – February 26, 2014:

Motion by Bret Bonnstetter, seconded by Stephanie Sarnoff to approve the minutes of February 26, 2014.

Voice Vote. All ayes.

4. SELECTION OF PUBLIC MEMBER:

Adam Cortes.

Voice Vote: All ayes.

5. SELECTION OF CHAIR:

Motion by Bret Bonnstetter, seconded by Stephanie Sarnoff to select Mayor Craig as Chair.

Voice Vote: All ayes.

6. REVIEW OF TIF REPORTS

Community & Economic Development Director Shubhra Govind explained the TIF Financial Report.

Community & Economic Development Director Shubhra Govind noted the following activities:

- No additional properties have been acquired in the TIF district.
- A \$2.5 million dollar investment by private sector has been made in the TIF district. Harbor Freight Tools, a new business occupied a vacant 15,000 sq.ft. building at 1557-1559 Irving Park Road. With interior and exterior remodeling, the building has been brought up to the current property code. The Village has agreed to a Redevelopment Agreement to share in the TIF and sales tax for approved costs outlined in the agreement. The public expenses for the project include sharing of a portion of the 1% municipal sales tax with the owner from the new tenant space, and also reimbursing developer from a portion of the incremental property tax generated from the property by the owner's project. None of the funds have been reimbursed yet we are waiting for all of them to provide the proper paper work. Harbor Freight is obligated to a ten year lease and being open for business; and the reimbursement will occur only if funds are available. Reimbursements will be processed this year.
- 1311 Irving Park Road – The Village continues to promote and market property.
- Discount Tire – new building completed at 1470 Irving Park Rd. (net gain for TIF - 6900 sq. ft.)
- Physicians Immediate Care Remodeled at 7425 Barrington Road (net gain for TIF) \$500,000 buildout.

- Village is also assisting with the marketing of the 1555 Irving Park Rd, which houses the Chapala grocery store, for sale.

7. **QUESTIONS/DISCUSSION:** Bret Bonnstetter noticed the EAV has dropped. Shubhra Govind explained the property owners appeal their property taxes which hurts the overall EAV. When presenting an agreement we will ask the business benefitting from the agreement not to appeal. Juliana Maller further explained that for the Redevelopment Agreement with Harbor Freight there are benchmarks that correspond back to what the EAV is so if there are no increments being generated in the TIF then they do not share in it. While they may have their receipts and made the expenditures they may not see any type of reimbursement on the property tax side unless they see those positive EAV changes. Then we only do the calculation on their property and not on the entire TIF.

8. **PUBLIC COMMENTS:** None.

9. **ADJOURNMENT:** 10:37 a. m.

Motion by Bret Bonnstetter to adjourn, seconded by Stephanie Sarnoff.

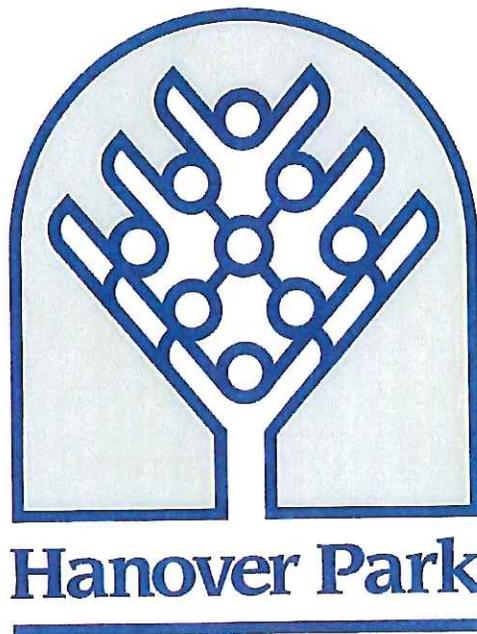
Voice Vote: All ayes.

Recorded and Transcribed by:

Kathleen Arnold, Administrative Assistant
this 18th day of March, 2015.

ATTACHMENT K - AUDITED FINANCIAL STATEMENTS

VILLAGE OF HANOVER PARK, ILLINOIS



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Eight-Month Period Ended December 31, 2014



1115 W. Dixon Road, Suite 400
Naperville, Illinois 60563

630.566.8400 // www.sikich.com

Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Hanover Park, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hanover Park, Illinois (the Village) as of and for the eight months ended December 31, 2014, and the related notes to financial statements, which collectively comprise the Village's basic 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 opinions 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 of 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 Village'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 Village'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 opinions.

VILLAGE OF HANOVER PARK, ILLINOIS

TAX INCREMENT FINANCING #3 FUND

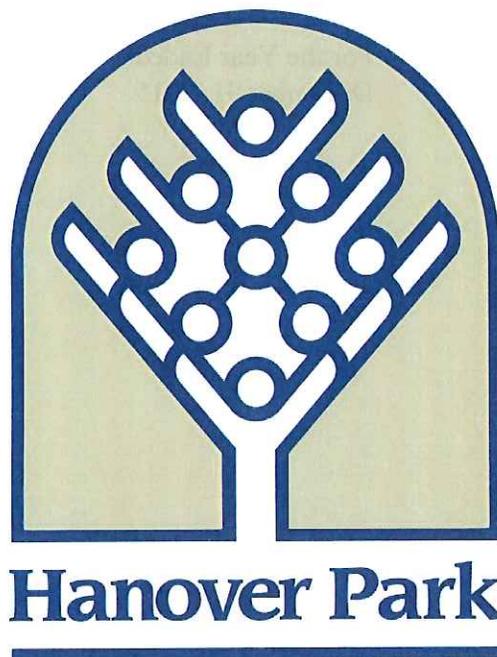
**SCHEDULE OF REVENUES, EXPENDITURES
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Eight-Month Period Ended December 31, 2014

	<u>Original Budget</u>	<u>Final Budget</u>	<u>Actual</u>
REVENUES			
Property taxes	\$ 625,762	\$ 625,762	\$ 1,110,324
Investment income	1,356	1,356	1,761
Total revenues	<u>627,118</u>	<u>627,118</u>	<u>1,112,085</u>
EXPENDITURES			
Current			
Community development			
Contractual services	234,948	234,948	159,130
Capital outlay	<u>1,171,200</u>	<u>1,171,200</u>	<u>1,108,757</u>
Total expenditures	<u>1,406,148</u>	<u>1,406,148</u>	<u>1,267,887</u>
NET CHANGE IN FUND BALANCE	<u>\$ (779,030)</u>	<u>\$ (779,030)</u>	(155,802)
FUND BALANCE, MAY 1			<u>2,182,405</u>
FUND BALANCE, DECEMBER 31			<u><u>\$ 2,026,603</u></u>

(See independent auditor's report.)

VILLAGE OF HANOVER PARK, ILLINOIS



COMPREHENSIVE ANNUAL FINANCIAL REPORT

For the Year Ended December 31, 2015



1415 W. Diehl Road, Suite 400
Naperville, Illinois 60563

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Certified Public Accountants & Advisors
Members of American Institute of Certified Public Accountants

INDEPENDENT AUDITOR'S REPORT

The Honorable President
Members of the Board of Trustees
Village of Hanover Park, Illinois

We have audited the accompanying financial statements of the governmental activities, the business-type activities, each major fund and the aggregate remaining fund information of the Village of Hanover Park, Illinois (the Village) as of and for the year ended December 31, 2015, and the related notes to financial statements, which collectively comprise the Village's basic 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 opinions 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 of 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 Village'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 Village'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.

auditing procedures applied in the audit of the basic financial statements and certain additional procedures, including comparing and reconciling such information directly to the underlying accounting and other records used to prepare the basic financial statements or to the basic 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 basic financial statements as a whole.

The introductory and statistical sections have not been subjected to the auditing procedures applied in the audit of the basic financial statements and, accordingly, we do not express an opinion or provide any assurance on them.

A handwritten signature in black ink, appearing to read "Sipich LLP".

Naperville, Illinois
June 17, 2016

VILLAGE OF HANOVER PARK, ILLINOIS

TAX INCREMENT FINANCING #4 FUND

**SCHEDULE OF REVENUES, EXPENDITURES AND
AND CHANGES IN FUND BALANCE - BUDGET AND ACTUAL**

For the Year Ended December 31, 2015

	Original Budget	Final Budget	Actual
REVENUES			
None	\$ -	\$ -	\$ -
Total revenues	-	-	-
EXPENDITURES			
Current			
Community development			
Contractual services	80,000	80,000	2,410
Total expenditures	80,000	80,000	2,410
NET CHANGE IN FUND BALANCE	\$ (80,000)	\$ (80,000)	(2,410)
FUND BALANCE (DEFICIT), JANUARY 1			(22,264)
FUND BALANCE (DEFICIT), DECEMBER 31			\$ (24,674)

(See independent auditor's report.)



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Members of American Institute of Certified Public Accountants

**INDEPENDENT ACCOUNTANT'S REPORT ON
MANAGEMENT'S ASSERTION OF COMPLIANCE**

The Honorable Village President
Members of the Board of Trustees
Village of Hanover Park, Illinois

We have examined management's assertion, included in its representation letter dated June 17, 2016, that the Village of Hanover Park, Illinois (the Village) complied with the provisions of subsection (q) of Section 11-74.4-3 of the Illinois Tax Increment Redevelopment Allocation Act (Illinois Public Act 85-1142) during the year ended December 31, 2015 for Village Center TIF District (TIF #3), West Irving Park Road Corridor TIF District (TIF #4), and East Irving Park Road TIF District (TIF #5). Management is responsible for the Village's assertion and for compliance with those requirements. Our responsibility is to express an opinion on management's assertion about the Village's compliance based on our examination.

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

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

This report is intended solely for the information and use of the Board of Trustees, the Illinois Comptroller's Office, the Joint Review Board and the Illinois Department of Revenue and is not intended to be and should not be used by anyone other than these specified parties.

A handwritten signature in black ink, appearing to read 'Sikich CP'.

Naperville, Illinois
June 17, 2016