Committee Members:
Frank Menn
Ryan Vickers
Brenda Wagner
Harry Zimmerman
Bill Poletti

AGENDA
COMMUNITY COMMITTEE
Wednesday, July 17, 2019 – 7:00 p.m.
Council Chambers
Fairview Heights City Hall
10025 Bunkum Road

Public Participation
Approval of Minutes – June 19, 2019

Parks & Recreation
Alderman Brenda Wagner, Chairman
1. Director’s Report

Planning
Alderman Harry Zimmerman, Chairman
1. Director’s Report

Development
Alderman Bill Poletti, Chairman
1. Ordinance to Authorize PACE Financing Program
2. Resolution to Designate Program Administrator (Sustainable Solutions Funding, LLC)
3. Director’s Report
4. Sales Tax Report
COMMUNITY COMMITTEE MINUTES
Wednesday, June 19, 2019 - 7:00 p.m.
City Council Chambers
10025 Bunkum Road, Fairview Heights, IL

Committee Members in attendance – Frank Menn, Ryan Vickers, Brenda Wagner, Harry Zimmerman, Bill Poletti

Committee Members absent –

Other Aldermen and Elected Official in attendance – Pat Peck, City Clerk Karen Kaufhold, Pat Baeske

Staff in attendance - Parks and Recreation Director Angela Beaston, Economic Development Director Paul Ellis, Land Use and Development Director Andrea Riganti, City Attorney Andrew Hoerner, Lt. C.J. Beyersdorfer

Recorder – Cheryl Kleb

Public Participation - none

Approval of May 22, 2019 Minutes
Motion and second to approve said minutes were made by Committee Members Bill Poletti/Ryan Vickers.
Motion and second to amend the May 22, 2019 minutes were made by Brenda Wagner/Ryan Vickers, as follows:
1. Page 1, under Other Aldermen and Elected Officials in attendance – add: Pat Peck.
2. Page 1, under Staff in Attendance – add: Lt C.J. Beyersdorfer
3. Page 2, under Parks and Recreation Director’s Report, end of last sentence add: Motion carried.
4. Page 2, under Planning and Zoning - add new paragraph: Motion and seconded to recommend to City Council approval of case PC05-19 Zoning Map Amendment request to change the zoning designation of 1 Sheryl Drive from B-3 Community Business District to B-1 Neighborhood Business District in accordance with the recommendation of the Planning Commission were made by Aldermen Bill Poletti/Ryan Vickers. Motion carried.

Motion carried on amendments to the minutes.
Motion and second to approve the May 22, 2019 minutes as amended were made by Bill Poletti/Harry Zimmerman. Motion carried.

Development Committee
Alderman Bill Poletti, Chairman
Economic Development Director’s Report
Director Ellis presented the Director’s report to Committee for review. Director Ellis introduced Thomas Applebaum with Sustainable Solutions Funding of St. Louis who has been working on the development of a local program for PACE (property assessed clean energy) financing for commercial properties.

Sales Tax
Director Ellis the Sales Tax Report factors that impact sales taxes.

Parks & Recreation Committee
Alderman Brenda Wagner, Chairman

Parks and Recreation Director’s Report
Director Beaston presented the Director’s written report to Committee for review. There were no questions.

Planning Committee
Alderman Harry Zimmerman, Chairman

Land Use & Development Director’s Report
Director Riganti presented the Director’s report to Committee for review. There were no questions.

PC-06-19 Special Use Permit for 1 Pleasant Lane to allow a daycare to operate in the B-3 Business Commercial Zoning District
Director Riganti briefed Committee on Planning Commission case PC-06-19 a Special Use Permit for 1 Pleasant Lane to allow a daycare to operate in the B-3 Business Commercial Zoning District.

Tamala Malone was present and available to answer questions.

Motion and second to recommend to City Council approval of case PC-06-19 a Special Use Permit for 1 Pleasant Lane to allow a daycare to operate in the B-3 Business Commercial Zoning District in accordance with the recommendation of the Planning Commission were made by Aldermen Bill Poletti/Ryan Vickers. Motion carried.

PC-07-19 Special Use Permit for 9612 Fairmont Drive to allow a lodge to operate in the C-Conservation Zoning District
Director Riganti briefed Committee on Planning Commission case PC-07-19 a Special Use Permit for 9612 Fairmont Drive to allow a lodge to operate in the B-3 Business Commercial Zoning District.

Christine Rae Bishop was present and available to answer questions.

Motion and second to recommend to City Council approval of case PC-07-19 a Special Use Permit for 9612 Fairmont Drive to allow a lodge to operate in the B-3 Business Commercial Zoning District in accordance with the recommendation of the Planning Commission were made by Aldermen Bill Poletti/Brenda Wagner. Motion carried.
PC-08-19 Map Amendment (rezoning) request from R-4 Residential to PB-Planned Business Development and Site Development Plan to allow for the expansion of an existing gas station with convenience store at 1029 Lincoln Highway.
Director Riganti briefed Committee on Planning Commission case PC-08-19 a Map Amendment (rezoning) request from R-4 Residential to PB-Planned Business Development and Site Development Plan to allow for the expansion of an existing gas station with convenience store at 1029 Lincoln Highway.

Nick Smock was present and available to answer questions.

Motion and second to recommend to City Council approval of case PC-07-19 a Special Use Permit for 1 Pleasant Lane to allow a daycare to operate in the B-3 Business Commercial Zoning District in accordance with the recommendation of the Planning Commission were made by Aldermen Brenda Wagner/Bill Poletti. Motion carried.

Adjournment 8:25 p.m.

Submitted By:

______________________________
Recorder
INTER OFFICE MEMO

TO: Elected Officials
FROM: Angela Beaston, Director of Parks and Recreation
DATE: July 15, 2019
SUBJECT: Parks & Recreation Committee Agenda Overview

**Director’s Report:** The following is a synopsis of the Parks and Recreation Department:

**Recreation Department:** The Recreation Department is busy organizing different programs and classes to offer the residents for the Fall Magazine which will be distributed to all households in Fairview Heights in early August. These magazines are distributed to approximately 8,000 homes in Fairview Heights.

As the summer programs begin to wrap up, be sure to check out some of the fun things that are still on the calendar for the end of the season.

Three weeks left of Camp Kodiak – Unfortunately, camp is filled to full capacity, if you know people that are on the waiting list or were wanting to register, please encourage them to register early next year so they don’t miss out on the fun.

Classes still available before summer ends: August Sessions: Pickle Ball, Senior Lunch Bunch, Bunco, Senior Craft Class

**Parks Department:** The Parks Department has been very busy with 50th Anniversary Events, baseball games and baseball tournaments this season. As, the summer games come to a close, the Parks laborers will begin to prepare for fall baseball, soccer and football.

At the end of June, the Parks and Recreation Department was notified that the City received a grant from the St. Clair County Board in the amount of $101,500.00. This grant is to pay for lights on the Miracle League Field and also a commercial mower to be used at the REC Complex. This grant was sent to the Administration Meeting on July 10th for approval due to the July 29th timeline. The Finance Committee approved the resolution that was sent to be voted on at City Council on July 16, 2019.

**REC Complex** – It is hard to believe that it has already been over two months since the grand opening. Here at the REC, birthday parties are in high demand, if you didn’t already know, Saturdays and Sundays are crazy at the REC with swim parties, climbing parties and room rentals. All of this excitement continues to bring in new members and daily pass visitors. If you know someone interested in a birthday party, encourage them to book early so they don’t miss out on a date because we are already booking parties for the winter months.

**Up Coming Events:**

August 23-25th – Midwest Salute to the Arts at Everett Moody Park

August 31st – Annual Kids Fishing Rodeo at Everett Moody Park – Preregistration is required for this event.

**Agenda Review:**

Agenda Item #1 - Director’s Report: General discussion regarding items in report
AN ORDINANCE ESTABLISHING A PROPERTY 
ASSESSED CLEAN ENERGY (PACE) AREA AND 
ESTABLISHING A PACE PROGRAM TO FINANCE OR 
REFINANCE CONSTRUCTION AND INSTALLATION OF 
ENERGY PROJECTS; AND OTHER MATTERS RELATED 
THERETO

WHEREAS, the City of Fairview Heights, a municipal corporation duly organized and validly existing under the Constitution and the laws of the State of Illinois, is a home rule unit of local government of the State of Illinois authorized pursuant to the Property Assessed Clean Energy Act, 50 ILCS 50/1 et seq. (the “PACE Act”) to establish a property assessed clean energy program (the “PACE Program”), create a PACE area (as defined in the PACE Act) and finance or refinance energy projects (as defined in the PACE Act); and

WHEREAS, pursuant to an ordinance adopted by the City of Fairview Heights on __________, 2019, _____________________ was designated a program administrator (as defined in the PACE Act) (the “Program Administrator”); and

WHEREAS, the Program Administrator has prepared the report attached hereto as Exhibit A (the “Program Report”) setting forth certain terms of the proposed PACE Program in conformity with the PACE Act; and

WHEREAS, the City of Fairview Heights now desires to establish the PACE area as the entire corporate limits of the City of Fairview Heights and to establish the PACE Program as further described herein and in the Program Report and to finance or refinance energy projects; and

WHEREAS, any bonds to be issued by the City of Fairview Heights to finance or refinance energy projects subject to the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460/1 et seq., all in accordance with the PACE Act, will be approved pursuant to a separate ordinance to be considered at a future meeting of the City of Fairview Heights;

WHEREAS, the PACE Act was amended by Public Act 100-0980, effective January 1, 2019 (the “Amendment”) to, among other things, authorize the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the “Authority”), to issue bonds to finance or refinance energy projects pursuant to subsection (d) of Section 825-65 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (the “Authority Act”), all in accordance with the PACE Act; and

WHEREAS, pursuant to the Authority Act, the Authority has been granted bond authorization of up to $2,000,000,000 to finance or refinance energy projects.

NOW, THEREFORE, BE IT ORDAINED BY THE City of Fairview Heights 
OF [INSERT NAME], ILLINOIS, AS FOLLOWS:
Section 1. Incorporation of the Recitals. The City of Fairview Heights hereby finds that all of the recitals contained in the preambles to this Ordinance are true, correct and complete and are hereby incorporated by reference thereto and are made a part hereof.

Section 2. Report of the Program Administrator; Creation of PACE Area. The City of Fairview Heights hereby finds as follows:

a. The financing or refinancing of energy projects is a valid public purpose and serves an essential governmental function;

b. The City of Fairview Heights intends to facilitate access to capital from the Program Administrator approved by the City of Fairview Heights or as otherwise permitted by the PACE Act, to provide funds for energy projects which will be repaid by assessments on the property (as defined in the PACE Act) benefitted with the agreement of the record owners (as defined in the PACE Act) of such property;

c. A description of the territory within the PACE area, the types of energy projects that may be financed or refinanced, and the description of the proposed arrangements for financing the PACE Program through the Program Administrator are all set forth in the Program Report which is attached hereto as Exhibit A. The Program Report is hereby incorporated by reference thereto and made a part hereof. The City of Fairview Heights hereby approves the Program Report and hereby establishes the PACE area as the corporate limits of the City of Fairview Heights, all as further described in the Program Report.

Section 3. No Public Hearing; Program Established. The City of Fairview Heights hereby finds that no public hearing shall be required in connection with the adoption or amendment of the PACE Program and hereby establishes the PACE Program in accordance with the Program Report.

Section 4. Assessment Contract. The form of “assessment contract” (as defined in the PACE Act) attached as Appendix A to the Program Report is hereby approved by the City of Fairview Heights. Any one of _________________ (each, an “Authorized Officer”) is hereby authorized to negotiate, execute, and deliver one or more assessment contracts with record owners meeting the requirements set forth in the Program Report (each, an “Assessment Contract”) in substantially the form of Appendix A to the Program Report, with such changes, deletions, and insertions as shall be approved by the Authorized Officer and such other supporting documents as may be necessary or appropriate to carry out and comply with the provisions of such Assessment Contract, and upon execution to record such Assessment Contract with the Recorder of Deeds of [Insert Name] County. The execution of such agreements and instruments shall be conclusive evidence of such approval. Prior to execution of any Assessment Contract, the Authorized Officer shall make the following determination in a written notification to be filed with the City Clerk of Fairview Heights:

i. that the property to be assessed is within the PACE area of the City of Fairview Heights;

ii. that there are no delinquent taxes, special assessments or water or sewer charges on the property to be assessed;
iii. that there are no delinquent assessments on the property under a property assessed clean energy program;

iv. there are no involuntary liens on the property, including, but not limited to, construction or mechanics liens, lis pendens or judgments against the record owner, environmental proceedings, or eminent domain proceedings;

v. that no notices of default or other evidence of property-based debt delinquency have been recorded and not cured;

vi. that the record owner is current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset to a current bankruptcy;

vii. all work requiring a license under any applicable law to make a qualifying improvement shall be performed by a registered contractor that has agreed to adhere to a set of terms and conditions through a process established by the City of Fairview Heights and described in the Program Report;

viii. the contractors to be used have signed a written acknowledgement that the City of Fairview Heights or the Program Administrator will not authorize final payment to the contractor until the City of Fairview Heights or the Program Administrator has received written confirmation from the record owner that the improvement was properly installed and is operating as intended; provided, however, that the contractor retains all legal rights and remedies in the event there is a disagreement with the owner;

ix. that the amount of the assessment in relation to the greater of the assessed value of the property or the appraised value of the property, as determined by a licensed appraiser, does not exceed 25%; and

x. a requirement that an assessment of the existing water or energy use and a modeling of expected monetary savings have been conducted for any proposed project in accordance with the procedures set forth in the Program Report.

xi. at least 30 days before entering into the Assessment Contract with the City of Fairview Heights, the record owner shall have provided to the holders or loan servicers of any existing mortgages encumbering or otherwise securing the property a notice of the record owner's intent to enter into the Assessment Contract with the City of Fairview Heights, together with the maximum principal amount to be financed and the maximum assessment necessary to repay that amount, along with a request that the holders or loan servicers of any existing mortgages consent to the record owner subjecting the property to the PACE Program. Prior to the execution of any Assessment Contract, the City of Fairview Heights shall have been provided with a verified copy or other proof of those notices and the written consent of the existing mortgage holder for the record owner to enter into the Assessment Contract and acknowledging that the existing mortgage will be subordinate to the financing and Assessment Contract and that the City of Fairview Heights or, if
applicable, its permitted assignee (as defined in the PACE Act) can foreclose the
property if the assessment is not paid.

Section 5. Additional Actions. The Authorized Officer is hereby authorized:

i. to approve the form of Program Handbook of the Program Administrator (as defined in the Program Report) setting forth certain additional requirements, procedures, and descriptions relating to the PACE Program and to negotiate, execute, and deliver such other supporting documents as may be necessary or appropriate to implement the PACE Program; and

ii. on and after January 1, 2019, the effective date of the Amendment, in connection with the issuance of bonds by the Authority to finance or refinance energy projects pursuant to subsection (d) of Section 825-65 of the Authority Act, all in accordance with the PACE Act, to negotiate, execute, and deliver one or more agreements assigning to the Authority an Assessment Contract securing such bonds.

Section 6. Enactment. The provisions of this Ordinance are hereby declared
to be separable and if any section, phrase or provision shall for any reason be declared by a court of competent jurisdiction to be invalid or unenforceable, such declaration shall not affect the validity or enforceability of the remainder of the sections, phrases and provisions hereof. All ordinances, orders and resolutions and parts thereof in conflict herewith are to the extent of such conflict hereby repealed, and this Ordinance shall take effect and be in full force immediately upon its adoption. No provision of the Municipal Code or violation of any provision of the Municipal Code shall be deemed to impair the validity of this Ordinance or the instruments authorized by this Ordinance or to impair the security for or payment of the instruments authorized by this Ordinance; provided further, however, that the foregoing shall not be deemed to affect the availability of any other remedy or penalty for any violation of any provision of the Municipal Code.

A copy of this Ordinance shall be published in pamphlet form, filed in the office of the Clerk of the City of Fairview Heights and made available for public inspection.

This Ordinance shall become effective upon its passage and approval.
MOTIONS

Agenda Item 1

Move to send to City Council with the recommendation of approval the Ordinance establishing a Property Assessed Clean Energy (PACE) area and establishing a PACE program to finance or refinance construction and installation of energy projects; and other matters related thereto.

Agenda Item 2

Move to send to City Council with the recommendation of approval the Ordinance approving the Memorandum of Understanding by and between the City of Fairview Heights, Illinois and Sustainable Solutions Funding, LLC.
Program Report

FOR CITY OF FAIRVIEW HEIGHTS, ILLINOIS – PROPERTY ASSESSED CLEAN ENERGY PROGRAM (PACE)

Prepared by:
SUSTAINABLE SOLUTION FUNDING, LLC | ST. LOUIS, MO
Table of Contents

Introduction .................................................................................................................................................. 1
§20(1) Form of Assessment Contract ........................................................................................................... 1
§20(2) Officials Authorized to Enter into Assessment Contracts on Behalf of the City.............................. 1
§20(4) Application Process and Eligibility Requirements for Financing or Refinancing Energy Projects
Under the Program ....................................................................................................................................... 2
   Eligible Properties ..................................................................................................................................... 2
   Eligible Energy Projects ............................................................................................................................. 2
   PACE Financing Application Process and Required Documents ............................................................... 4
      Required Documents: ........................................................................................................................... 4
§20(5) Method of Determining Interest Rates on Amounts Financed or Refinanced Under Assessment
Contracts, Repayment Periods, and the Maximum Amount of an Assessment ........................................... 5
§20(6) Explanation of the Process for Billing and Collecting Assessments................................................... 5
§20(7) Plan to Finance the Program Pursuant to the Issuance of PACE Bonds in Accordance with §35 ..... 6
§20(8) Information Regarding All of the Following, to the Extent Known, or Procedures to Determine the
Following; ...................................................................................................................................................... 6
   (A) Any revenue source or reserve fund or funds to be used a security for PACE bonds described in
       §20(7); 6
   (B) Any application, administration, or other program fees to be charged to Record Owners
       participating in the program that will be used to finance and reimburse all or a portion of costs
       incurred by the City as a result of the Program; ................................................................................... 6
§20(9) Requirement That the Term of an Assessment Not Exceed the Useful Life of the Energy Project
Financed, or Refinanced Under and Assessment Contract; Provided That an Assessment Contract
Financing or Refinancing Multiple Energy Projects with Varying Lengths of Useful Life May Have a Term
That is Calculated in Accordance with the Principles Established by the Program Report .......................... 7
§20(10) Requirement for an Appropriate Ratio of the Amount of the Assessment to the Greater of Any of the Following; ........................................................................................................................................... 7
      (A) The Value of the Property as Determined by the Office of the County Assessor; or ................. 7
      (B) The Value of the Property as Determined by an Appraisal Conducted by a Licensed Appraiser; 7
§20(11) Requirement That the Record Owner of Property Subject to a Mortgage Obtain Written Consent
from the Mortgage Holder Before Participating in the Program ................................................................. 7
§20(12) Provisions for Marketing and Participant Education ....................................................................... 8
   Program Launch ........................................................................................................................................ 8
§20(14) Quality Assurance and Anti-Fraud Measures ................................................................. 8
Conclusion and Summary ............................................................................................................. 9
Introduction
This Program Report (the “Report”) is prepared pursuant to the Property Assessed Clean Energy Act, 50 ILCS 50/1 et seq. (the “PACE Act”), at the direction of the City of Fairview Heights, Illinois (the “City”), as an attachment to the enabling ordinance for this program. The purpose of the Report is to identify the necessary statutory controls and guidelines for the establishment of a Property Assessed Clean Energy Program (the “Program”) for the City. The purpose of the Program is for commercial property owners (“Record Owners”) to improve their properties by installing and/or upgrading their properties with certain Energy Conservation Measures. The Record Owners can receive funding for the Energy Conservation Measures from approved financing companies (“Capital Providers”). Per the PACE Act, in order to establish a PACE program, the governing body of a local unit of government must adopt a resolution or ordinance that meets the requirements of Section 15 of the PACE Act, and the ordinance must contain a reference to a Report that details the items required to create and structure a PACE program (per Section 20 of the PACE Act). Below are the criteria the Report needs to address to form a PACE Program.

§20(1) Form of Assessment Contract
Please See Exhibit A, attached and incorporated herein as referenced.

§20(2) Officials Authorized to Enter into Assessment Contracts on Behalf of the City
The City of Fairview Heights Department of Economic Development will oversee the Program (named the “Fairview Heights PACE Program”). The City of Fairview Heights has selected by ordinance, Sustainable Solutions Funding, LLC to administer the Program (the “Program Administrator”). The Director of Economic Development (the “Director”), will be the point of contact for the Program Administrator on matters related to the PACE Program and give authorizations as necessary for the continued operation of the PACE Program in accordance with program guidelines that the Director
approves (the “Program Guidelines”). The Director can issue, or direct to be issued, required authorizations and amendments to the Program Guidelines. The Director or one of his designees will be authorized to execute assessment contracts.

Program Administrator shall prepare and maintain Program Guidelines, which are the set of guidelines, procedures and descriptions required to implement the PACE Program and for program participants to follow in order to qualify a PACE Project for Pace Financing. The Director will review and approve the Program Guidelines.

The Director will delegate Program Administrator duties to Sustainable Solutions Funding, LLC. The Director will be 1) updated with reports from the Program Administrator as often as requested, 2) approve changes to the Program Guidelines, and 3) be the liaison for the Program Administrator to interact with the City as part of the administration of the PACE Program.

§20(4) Application Process and Eligibility Requirements for Financing or Refinancing Energy Projects Under the Program

Eligible Properties
Any privately-owned commercial, industrial, non-residential agricultural, or multi-family (of 5 or more units) real property or any real property owned by a not-for-profit located within the boundaries of the City.

Eligible Energy Projects
The acquisition, construction, installation, or modification of an alternative energy improvement, energy efficiency improvement, renewable energy improvement, or water use improvement affixed to real property (including new construction).

- Alternative Energy Improvement means any fixture, product, system, equipment, device, material, or interacting group thereof intended to charge a motor vehicle that is fully or partially powered by electricity, including, but not limited to electrical wiring, outlets, or charging stations.

- Energy efficiency improvement means any fixture, product, system, equipment, device, material, or interacting group thereof intended to decrease energy consumption or enable a more efficient use of electricity, natural gas, propane, or other forms of energy on property, including, but not limited to, all of the following:
  1. insulation in walls, roofs, floors, foundations, or heating and cooling distribution systems;
  2. energy efficient storm windows and doors, multi-glazed windows and doors, heat-absorbing or heat-reflective glazed and coated window and door systems, and additional glazing, reductions in glass area, and other window and door systems system modifications that reduce energy consumption;
(3) automated energy or water control systems;
(4) high efficiency heating, ventilating, or air-conditioning and distribution systems;
(5) caulking, weather-stripping, and air sealing;
(6) lighting fixtures;
(7) energy controls or recovery systems;
(8) day lighting systems;
   (8.1) any energy efficiency project, as defined in Section 825-65 of the Illinois Finance Authority Act; and
(9) any other fixture, product, system, equipment, device, or material intended as a utility or other cost-savings measure as approved by the City.

- Renewable energy improvement means any fixture, product, system, equipment, device, material, or interacting group thereof on the property of Record Owner that uses one or more renewable energy resources to generate electricity, including any renewable energy project, as defined in Section 825-65 of the Illinois Finance Authority Act.
  - Renewable energy resource includes energy and its associated renewable energy credit or renewable energy credits from wind energy, solar thermal energy, geothermal energy, photovoltaic cells and panels, biodiesel, anaerobic digestion, and hydropower that does not involve new construction or significant expansion of hydropower dams. For purposes of this Act, landfill gas produced in the State is considered a renewable energy resource. The term "renewable energy resources" does not include the incineration or burning of any solid material.

- Water use improvement means any fixture, product, system, equipment, device, material, or interacting group thereof intended to conserve water resources or improve water quality on property, including, but not limited to, all of the following:
  (1) Water management or efficiency systems;
  (2) Water recycling;
  (3) Capturing, reusing, managing, and treating stormwater;
  (4) Bioretention, trees, green roofs, porous pavements, or cisterns for maintaining or restoring natural hydrology;
  (5) Replacing or otherwise abating or mitigating the use of lead pipes in the supply of water; and
  (6) Any other resiliency improvements, fixture, product, system, equipment, devise, or material intended as a utility or other cost-savings measure as approved by the City.
  - Resiliency improvement means any fixture, product, system, equipment, device, material, or interacting group thereof intended to increase resilience or improve the durability of infrastructure, including but not limited to, seismic retrofits, flood mitigation, fire suppression, wind resistance, energy storage, microgrids, and backup power generation.
PACE Financing Application Process and Required Documents

The Program Administrator will oversee the Project Application process to assure that the PACE Projects are compliant with the PACE Act, enabling ordinance and Program Guidelines. The Program Guidelines will detail the process and may be amended with approval of the Director.

The general flow of the application process will be as follows;

1. The Record Owner will submit a pre-application, identifying the Property and the intent to participate in the Program;
2. The Program Administrator will determine the eligibility of the Property and contact the Record Owner to request the required documents to submit a final application;
3. Once a completed set of the required documents have been submitted by the Record Owner, a final application will be reviewed by the Program Administrator, the Finance Authority, and the Capital Provider;
4. If the final application is approved, the Record Owner and the Finance Authority will close on financing and the Assessment will be recorded;
5. Energy Projects will then be implemented;
6. Funds disbursed upon completion;
7. Record Owner begins installment payments per the Assessment Contract.

Required Documents:
As part of the final application, and before the City will enter into an Assessment Contract with the Record Owner, the Program Administrator must determine that the Property is within the municipal boundaries of the City and the Record Owner must produce documents as evidence of all of the following:

1. that there are no delinquent taxes, special assessments, or water or sewer charges on the property;
2. that there are no delinquent assessments on the property under a property assessed clean energy program;
3. whether there are any involuntary liens on the property, including, but not limited to, construction or mechanics liens, lis pendens or judgments against the record owner, environmental proceedings, or eminent domain proceedings;
4. that no notices of default or other evidence of property-based debt delinquency have been recorded and not cured;
5. that the record owner is current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset in a current bankruptcy proceeding;
6. that all work requiring a license under any applicable law to acquire, construct, install, or modify an energy project shall be performed by a licensed contractor that has agreed to adhere to a set of terms and conditions through a process established by the City or its program administrator;
7. that the contractor or contractors to be used have signed a written acknowledgement that the City or its program administrator will not authorize final payment to the contractor or contractors until the City has received written confirmation from the record owner that the energy project was properly acquired, constructed, installed, or modified and is operating as
intended; provided, however, that the contractor or contractors retain all legal rights and remedies in the event there is a disagreement with the record owner;

(8) that the aggregate amount financed or refinanced under one or more assessment contracts does not exceed 25% in relation to the greater of any of the following (§20(10)):
   (A) the value of the property as determined by the office of the county assessor; or
   (B) the value of the property as determined by an appraisal conducted by a licensed appraiser; and

(9) that an evaluation of the existing water or energy use and a modeling of expected monetary savings have been conducted for any proposed energy efficiency improvement, renewable energy improvement, or water use improvement, unless the water use improvement is undertaken to improve water quality (Energy Assessment).

§20(5) Method of Determining Interest Rates on Amounts Financed or Refinanced Under Assessment Contracts, Repayment Periods, and the Maximum Amount of an Assessment

Capital Providers will be subject to approval by the Finance Authority. It is expected that multiple Capital Providers will be approved in this manner and will offer competitive rates and financing terms and conditions. Public funds are not anticipated to be made available for funding PACE projects, though units of government are not prohibited from participating as Capital Providers. Ultimately, interest rates will be driven by the securitization market and the administrative costs associated with the financing instrument (bonds). The standardization model the Finance Authority has developed and will be utilized with the PACE Program will limit those costs and should generate the lowest rates, regardless of the Capital Provider.

§20(6) Explanation of the Process for Billing and Collecting Assessments

The attached Assessment Agreement

Assessments created under this Act may be billed and collected as follows:

(1) A county which has established a program may include assessments in the regular property tax bills of the county. The county collector of the county in which a PACE area is located may bill and collect assessments with the regular property tax bills of the county if requested by a municipality within its jurisdiction; no municipality is required to make such a request of its county collector. If the county collector agrees to bill and collect assessments with the regular property tax bills of the county, then the applicable assessment contract shall be filed with the county collector and the annual amount due as set forth in an assessment contract shall become due in installments at the times property taxes shall become due in accordance with each regular property tax bill payable during the year in which such assessment comes due;

(2) If the county collector does not agree to bill and collect assessments with the regular property tax bills of the county or the governmental unit in which the PACE area is located declines to request the county collector to do so, then the governmental unit shall bill and collect the assessments, either directly or as permitted in paragraph (3) of this subsection, and the annual
amount due as set forth in an assessment contract shall become due in installments on or about the times property taxes would otherwise become due in accordance with each regular property tax bill payable during the year in which such assessment comes due; or

(3) If a governmental unit is billing and collecting assessments pursuant to paragraph (2) of this subsection, assessment installments may be billed and collected by the governmental unit’s program administrator or program administrators or another third party. The assessment installments for assessments billed as provided for under any paragraph of this subsection shall be payable at the times and in the manner as set forth in the applicable bill.

§20(7) Plan to Finance the Program Pursuant to the Issuance of PACE Bonds in Accordance with §35

Bonds will be issued through the Illinois Financing Authority as the financing conduit. The Illinois Financing Authority has developed standardized bond issuance documents that have been verified as conforming to the PACE Act and existing Illinois law and are designed to streamline the bond issuance process and minimize and risk associated with the process. Only capital providers that are approved by the Illinois Financing Authority and have come to an agreement with the Illinois Financing Authority on the utilization of the bond issuance document set will be used as a funding source for PACE Projects with the Program.

§20(8) Information Regarding All of the Following, to the Extent Known, or Procedures to Determine the Following:

(A) Any revenue source or reserve fund or funds to be used a security for PACE bonds described in §20(7);

The Authority does not current maintain a reserve fund as security for the issuance of bonds for PACE programs. The establishment of any such fund and the resulting fees that this would entail to fund would be subject to approval of the Director and an amendment of the Program Guidelines.

(B) Any application, administration, or other program fees to be charged to Record Owners participating in the program that will be used to finance and reimburse all or a portion of costs incurred by the City as a result of the Program;

The Record Owners will be charged an application fee, cost of issuance fees & closing costs associated with the closing of a PACE project, interest on the funds financed by the Capital Provider, and servicing fees for the on-going monitoring and collection of the PACE Assessment. Details of these costs will be in the Program Guidelines. These fees will be explicitly determined in the closing documents for each project as part of the project development process and disclosed in the final application documents prior to the closing of financing.
§20(9) Requirement That the Term of an Assessment Not Exceed the Useful Life of the Energy Project Financed, or Refinanced Under and Assessment Contract; Provided That an Assessment Contract Financing or Refinancing Multiple Energy Projects with Varying Lengths of Useful Life May Have a Term That is Calculated in Accordance with the Principles Established by the Program Report

The useful life energy upgrades financed through the Program and described in the final application documents (Energy Assessment) may not exceed the term of the financing. This is to avoid a property owner having to continue payments after an upgrade has been replaced. The useful life of an upgrade will be determined by industry standards of the individual Energy Projects. For Projects with multiple Eligible Energy Projects, the term of the PACE Financing may not be greater than the Eligible Energy Project with the longest expected useful life. The Eligible Energy Project with the longest expected useful life must be a substantial portion of the overall PACE Project, subject to the Program Administrator’s review and approval.

§20(10) Requirement for an Appropriate Ratio of the Amount of the Assessment to the Greater of Any of the Following:

(A) The Value of the Property as Determined by the Office of the County Assessor; or
(B) The Value of the Property as Determined by an Appraisal Conducted by a Licensed Appraiser;

As part of the application process (§20(4)); part of the final application required documents will be evidence that the aggregate amount financed or refinanced under one or more assessment contracts does not exceed 25% in relation to the greater of any of the following:

(A) the value of the property as determined by the office of the county assessor; or
(B) the value of the property as determined by an appraisal conducted by a licensed appraiser.

§20(11) Requirement That the Record Owner of Property Subject to a Mortgage Obtain Written Consent from the Mortgage Holder Before Participating in the Program

Before entering into an Assessment Contract with the City, the Record Owner shall provide to the mortgage holders of any existing mortgages encumbering or otherwise secured by the property a notice of the Record Owner’s intent to enter into an assessment contract with the City, together with the
maximum principal amount to be financed or refinanced and the maximum annual assessment necessary to repay that amount, along with an additional request that the mortgage holders of any existing mortgages consent to the record owner subjecting the property to the Program. The City shall be provided with a copy or other proof of those notices and the written consent of the mortgage holder for the Record Owner to enter into the assessment contract which acknowledges that (i) the existing mortgage or mortgages for which the consent was received will be subordinate to the assessment contract and the lien created thereby and (ii) the City or its permitted assignee can foreclose the property if the assessments are not paid.

§20(12) Provisions for Marketing and Participant Education
Marketing will consist of broad outreach directly and indirectly to various stakeholder groups, including civic, business, development and other interested parties, as well as any earned media generated by the operation of the Program. It is expected that applications for the Program will be driven by both property owners and developers that have heard about the benefits of PACE financing and by contractors, such as energy service companies (ESCOs), that see the value in offering this type of financing for their clients. Contractors are typically the ambassadors of successful PACE programs, so information about the Program will be made available to contractors wishing to participate. A contractor can register with the Program for a nominal fee as a participant. A website with information about the Program, a list of contractors participating in the Program and a Project pre-application will be developed as part of the Program launch.

Program Launch
Upon the development of Program Guidelines and other materials, a date will be set for a Program launch. This launch will be preceded by an announcement, with the hopes of generating interest with the media, local groups, and state/national advocacy groups.

§20(14) Quality Assurance and Anti-Fraud Measures
While commercial property owners can be assumed to be more sophisticated in participating in an “arms length” transaction, in comparison to a typical residential property owner, certain safeguards must be in place to assure that there are no bad actors in the program and that property owners are not either being taken advantage of or that this method of financing isn’t being abused by any of the participants. The process established with the Program takes several steps to ensure this.

First, as part of the final application, the property owner must demonstrate a minimum level of fiscal solvency to participate in the Program to prevent the property owner from abusing this financing method and getting over extended. This is done by requiring:

1. that there are no delinquent taxes, special assessments, or water or sewer charges on the property;
2. that there are no delinquent assessments on the property under a property assessed clean energy program;
whether there are any involuntary liens on the property, including, but not limited to, construction or mechanics liens, lis pendens or judgments against the record owner, environmental proceedings, or eminent domain proceedings;

(4) that no notices of default or other evidence of property-based debt delinquency have been recorded and not cured; and

(5) that the record owner is current on all mortgage debt on the property, the record owner has not filed for bankruptcy in the last 2 years, and the property is not an asset in a current bankruptcy proceeding.

Contractors must maintain a standard of professionalism by providing that all work requiring a license under any applicable law to acquire, construct, install, or modify an energy project shall be performed by a licensed contractor that has agreed to adhere to a set of terms and conditions through a process established by the City or the program administrator. This includes maintaining registration in the Program. Details of additional requirement and conditions for maintaining registration in the Program will be detailed in the Program Guidelines.

There will be assurance that the work will be completed because the contractor will have to sign a written acknowledgement that the City or its program administrator will not authorize final payment to the contractor or contractors until the City has received written confirmation from the record owner that the energy project was properly acquired, constructed, installed, or modified and is operating as intended; provided, however, that the contractor or contractors retain all legal rights and remedies in the event there is a disagreement with the record owner.

Finally, Record Owners can have some level of assurance that the improvements to their property will help their cash flow because it is required that an evaluation of the existing water or energy use and a modeling of expected monetary savings have been conducted for any proposed energy efficiency improvement, renewable energy improvement, or water use improvement, unless the water use improvement is undertaken to improve water quality (Energy Assessment).

The operation and the oversight of the Program Administrator and Director, along with the underwriting criteria and requirements of the Finance Authority, as well as any Capital Provider, will assure the integrity of any assessments recorded or financial instruments executed as part of the operation of the Program and that every PACE Project meets all statutory requirements.

**Conclusion and Summary**

This Program Report was developed at the request of the City of Fairview Heights, Illinois, to be attached to their enabling ordinance to establish a PACE Program for the financing of commercial PACE projects within City’s boundaries. The purpose of this Program Report is to enumerate how the Program will adhere to all of the statutory requirements for running a PACE program as specifically stated in the Property Assessed Clean Energy Act, 50 ICS 50/1 et seq. This Program Report has directly referenced paragraphs within the PACE Act to identify how the Program will address each requirement.
CITY OF FAIRVIEW HEIGHTS
PACE PROGRAM

ASSESSMENT CONTRACT

(THE ABOVE SPACE FOR RECORDER'S USE ONLY)

THIS ASSESSMENT CONTRACT (this “Contract”), dated as of the Effective Date (as defined below), is by and between the City of Fairview Heights, a municipal corporation and home rule unit of local government of the State of Illinois (the “City”) and person or persons as the titleholder or owner of the beneficial interest set forth on Exhibit A (the “Record Owner”) in the property described on Exhibit A (the “Property”).

RECITALS

WHEREAS, the City has conducted the proceedings required by Section 15 of the Property Assessed Clean Energy Act, 50 ILCS 50/1 et seq. (the “Act”) and established a property assessed clean energy program (the “PACE Program”) within the jurisdictional boundaries of the City (the “PACE Area”) to allow the financing or refinancing of certain “energy projects” (as defined in the Act), funded through the sale of bonds, subject to the Act [or the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460/1 et seq., or alternatively,] through the sale of bonds pursuant to subsection (d) of Section 825-65 of the Illinois Finance Authority Act, 20 ILCS 3501/801-1 et seq. (the “Authority Act”), which bonds will be secured through the levy of certain special assessments pursuant to “assessment contracts” (as defined in the Act) on property (as defined in the Act) benefitted by such energy projects;

WHEREAS, the Act provides that a “record owner” (as defined in the Act) of property within the PACE Area may apply to the City or its “program administrator” (as defined in the Act) to facilitate access to capital to provide funding for an energy project and that the City may enter into an assessment contract with a record owner of property to finance or refinance one or more energy projects on the property, which assessment contract provides for the repayment of the financed amount of the cost of an energy project through assessments on the property benefitted;

WHEREAS, the Property is located in the PACE Area established by the City as of the last date entered with the signatures of the parties below (the “Effective Date”);

WHEREAS, the Record Owner has requested the City enter into this Contract and the City has verified the information required by Section 25(c) of the Act as further described herein;
WHEREAS, the City has appointed Loop-Counterpointe PACE LLC, a Delaware limited liability company, as a program administrator (together with any successors thereto, the “Program Administrator”) for the PACE Program as it pertains to this Contract;

WHEREAS, the Record Owner has completed an application (the “PACE Project Application”) for financing under the PACE Program (“PACE Funding”) for the energy project, including the construction and installation thereof, described in Exhibit A (the “Project”) and has satisfied the PACE Program requirements, including without limitation, obtaining a written consent from any and all holders of mortgages recorded against the Property, and the Program Administrator has issued an approval of the Record Owner’s PACE Project Application, all in accordance with the Program Guidebook administered by the Program Administrator with respect to the PACE Program and in effect on the date hereof (the “Program Guidebook”);

WHEREAS, the Program Administrator and the Record Owner may request that the Illinois Finance Authority, a body politic and corporate duly organized and validly existing under and by virtue of the laws of the State of Illinois (the “Authority”), finance the Project through the sale of bonds pursuant to subsection (d) of Section 825-65 of the Authority Act, and if applicable, that a Warehouse Fund (as defined in the Act) provide interim financing prior to the issuance of bonds by the Authority; and

WHEREAS, pursuant to the Act, the City and the Record Owner desire to enter into this Contract, pursuant to which the Record Owner will agree to pay the assessment in order to finance or refinance the Project and the City may agree to assign this Contract in furtherance of providing financing for the Project.

NOW, THEREFORE, in consideration of the foregoing and the material covenants hereinafter contained, the Record Owner and the City formally covenant, agree and bind themselves and their successors and assigns as follows:

AGREEMENT

Section 1. Purpose. The Record Owner and the City are entering into this Contract for the purpose of financing or refinancing the Project.

Section 2. The Property. This Contract relates to the Property. The Record Owner has provided to the City sufficient evidence that the Record Owner is the titleholder or owner of the beneficial interest in the Property and possesses all legal authority necessary to execute this Contract.

Section 3. Assessment; Bonds; Installment; Prepayment; Collection.

(a) The Assessment. The Record Owner hereby freely and willingly agrees that a special assessment in the amount specified in Schedule I (the “Assessment”) shall be levied by the City on the Property pursuant to the Act. The amount of the Assessment shall be the amount specified in Schedule I, which includes an amount to pay all or a portion of the costs of (i) the Project, (ii) incidental expenses, if so specified in Schedule I, (iii) capitalized interest on bonds to be issued or, if applicable, the Warehouse Fund, if so specified in Schedule I, and (iv) funding any required debt service reserve, if so specified in Schedule I (collectively, the “Financing Purposes”).
The Record Owner acknowledges and agrees that the amount of the Assessment does not exceed the special benefit conferred on the Property by the Financing Purposes thereon.

(b) **Bonds.** The City hereby determines that bonds, which may be serial bonds, term bonds or both, shall be issued (i) by the City pursuant to the Special Assessment Supplemental Bond and Procedures Act, 50 ILCS 460/1 et seq. or (ii) upon assignment of this Contract to the Authority, by the Authority pursuant to the Authority Act, all in accordance with the Act (the “Bonds”) and shall be secured by the Assessment to pay the cost of the Financing Purposes, and that, if applicable, interim financing prior to the issuance of Bonds may be provided through a Warehouse Fund.

(c) **Interest; Assessment Installments.** Interest on the Assessment shall begin to run from the date the Bonds are issued or, if applicable, interim financing from the Warehouse Fund is issued, and shall be computed at the rate specified in Schedule I. The unpaid Assessment shall be payable in installments of principal and interest as set forth in Schedule I.

(d) **Collection.** The annual proportion of the Assessment coming due in any year, together with the annual interest thereon, shall be payable in the same manner and at the same time and in the same installments as the general taxes on the Property are payable [or as otherwise provided in Schedule I attached hereto], and have the same priority, become delinquent at the same time and in the same proportionate amounts and bear the same proportionate penalties and interest after delinquency as do the general taxes on the Property. The City may delegate the authority to bill and collect the Assessment to the Program Administrator, or its designee.

(e) **Administrative Expenses.** In addition to the installments of the Assessment described in subsection (c) of this Section, the City or any Assignee (as defined below) may (or may direct the Program Administrator on behalf of the City or any such Assignee, as the case may be, to), in accordance with the Act, add thereto amounts in order to pay for the costs of collecting the Assessment, the annual administration of the Assessment, the annual administration of the Bonds or the Warehouse Fund and other administrative costs (the “Annual Assessment Administrative Fee”), if so specified in Schedule I.

(f) **Prepayment of the Assessment.** The Assessment may be prepaid, in whole or in any amount of at least the minimum set forth in Schedule I, at any time upon the payment of (i) the amount of any delinquent installments of principal or interest on the Assessment, together with penalties accrued to the date of prepayment, plus (ii) the whole or, subject to the minimum amount set forth in this subsection, a portion of the unpaid non-delinquent principal of the Assessment (the “Assessment Prepayment Amount”), plus (iii) interest on the Assessment Prepayment Amount to the redemption date occurring at least 30 days following the date the prepayment is made, plus (iv) an amount equal to the redemption premium, if any, set forth on Schedule I, plus (v) a reasonable fee, if charged by the Authority or Program Administrator, for the cost of administering the prepayment and the redemption of bonds.

(g) **No Reduction or Offset.** The Record Owner hereby acknowledges and agrees that the Assessment will not be subject to reduction, offset or credit of any kind in the event that the Project fails to perform in any way or for any reason.
(h) **No Acceleration; Survival.** Amounts due under the Assessment will not accelerate upon a default or late payment or enforcement of remedies under this Contract and the Assessment, the lien thereof and the obligation to pay Assessment installment when they become due shall survive any such event and continue until paid in full.

**Section 4. Record Owner’s Representations and Warranties**

The Record Owner represents and warrants to the City and each Assignee (as hereinafter defined), which representations and warranties shall be true and correct as of the Effective Date and at all times thereafter as follows:

(a) **Organization and Authority.** The Record Owner, if a legal entity, is duly organized, validly existing and in good standing in the state of its organization and with authority to do business under the laws of the State of Illinois. The Record Owner has all necessary power and authority to own the Property and to conduct its business and enter into the transactions contemplated hereby. The Record Owner has the right to enter into and perform this Contract, and the execution, delivery and performance of this Contract and each and every document specified in the List of Documents contained in Exhibit A executed in connection therewith (collectively, the “Transaction Documents”) have been duly authorized, executed and delivered and constitute valid and binding obligations of the Record Owner, each enforceable in accordance with its terms, and will not violate any applicable law or result in the creation of a lien against the Property except as contemplated by this Contract.

(b) **Financial Statements.** All financial statements delivered to the City or the Program Administrator are true and correct, have been prepared in accordance with United States generally accepted accounting principles consistently applied, fairly represent the financial condition of the Record Owner as of the date thereof, and no material adverse change has occurred in the financial condition presented therein since such date.

(c) **No Litigation.** There are no actions, suits or proceedings pending or, to the knowledge of the Record Owner, threatened, against or affecting it or the Property which could materially adversely affect the Record Owner, its financial condition, the Property or the construction of the Project or the Record Owner’s ability to satisfy its obligations under this Contract and any of the Transaction Documents, if applicable.

(d) **Title.** The Record Owner has good and insurable title to the Property. Except as set forth on Exhibit B (“Permitted Liens”), there are no involuntary liens on the Property, including, but not limited to, construction or mechanics liens, *lis pendens* or judgments against the Record Owner, environmental proceedings, or eminent domain proceedings.

(e) **Property-Based Debt; Taxes.** The Record Owner is not in default under, and has received no notices of default, under any property-based debt that has not been otherwise cured. The Record Owner is current on all mortgage debt on the Property, has not had an Insolvency Event in the last two (2) years from the date hereof, and the Property is not the subject of any Insolvency Event. There are no delinquent taxes, special assessments, or water or sewer charges on the Property. There are no delinquent assessments on the Property in a property assessed clean energy program (including the Program).
(f) **Compliance With Laws.** The Record Owner has complied with, and will continue to comply with, all applicable statutes, regulations and ordinances in connection with the Property and construction of the Project. All permits, consents, approvals and authorizations required to be issued by any governmental body (collectively, the “Permits”) necessary for (a) the construction of the Project in accordance with the plans and specifications (together, the “Plans”) submitted by the Record Owner; (b) the construction, connection and operation of all utilities necessary to service the Project; and (c) the construction and use of all roadways, driveways, curb cuts and other vehicular or other access to and egress from the Project, as shown on the Plans either (i) have been obtained, are valid, are in full force and effect and have been complied with by the Record Owner in all respects; or (ii) will be obtained, will be valid, will be in full force and effect prior to the initiation of construction of the Project, and Record Owner will be in compliance therewith in all respects prior to any “permitted assignee” (as defined in the Act) to which this Contract has been assigned (the “Assignee”) disbursing any Bond proceeds or interim financing provided by a Warehouse Fund, if applicable. Construction of the Project in accordance with the Plans will comply with applicable zoning, use, building or other applicable codes, laws, regulations, ordinances and Permits and any restrictive covenants affecting the Property.

(g) **Approval of Plans and Budgets.** Any Plans submitted will be a true and accurate reflection of the Project (when completed) and have been approved as required by all governmental bodies or agencies having jurisdiction over the Project or will be approved prior to the first disbursement request. The budget for construction of the Project (the “Budget”) is an accurate current budget of all costs necessary to construct the Project in accordance with the Plans and is attached to the construction contract(s) to which the Record Owner is a party and described on Exhibit A pertaining to the construction and installation of the Project (the “Construction Contract”). The cost of construction of the Project is not expected to exceed the cost therefor set forth in the Budget. The Record Owner is responsible for any costs in excess of the Budget.

(h) **Contractors.** All work requiring a license under any applicable law to acquire, construct, install, or modify the Project has been and will be performed by licensed contractors that have agreed to adhere to the City’s or the Program Administrator’s terms and conditions. All such contractors have signed a written acknowledgment that the City or its Program Administrator will not authorize final payment to such contractor until the City has received written confirmation from the Record Owner that the Project was properly acquired, constructed, installed or modified and is operating as intended.

(i) **Mortgage Holder Consent.** The Record Owner represents and warrants that the Record Owner has (i) disclosed to the City or the Program Administrator, the identities of all persons, if any, that hold mortgage liens against the Property (whether recorded or unrecorded) that may be affected by the Assessment; (ii) has obtained and delivered to the City or the Program Administrator the written consent of all such persons to the Assessment; and (iii) to the Record Owner’s knowledge, no such consent has been withdrawn or revoked.

(j) **Insurance.** The Record Owner has provided to the City or the Program Administrator satisfactory evidence of current insurance policies on the Property. Such policies shall meet the specifications set forth in accordance with the Program Guidebook incorporated herein by reference but, notwithstanding such specifications, to the extent Bonds are issued under
the Authority Act, the Authority, any Bond Trustee and any Warehouse Fund shall be named as an additional insured (mortgagee/loss payee) on all insurance policies required hereunder.

(k) **PACE Project Application.** All representations, warranties, statements, exhibits, instruments and other documents contained in or included as a part of the PACE Project Application are true, correct and complete as of the Effective Date. The Project constitutes an “energy project” and the Property constitutes “property” as each term is defined in the Act.

(l) **No Impairment.** No fraud, error, omission, misrepresentation, negligence or similar occurrence with respect to the Property, Plans, Budget, Construction Contract or Project has taken place on the part of the Record Owner or any other person, including, without limitation, any appraiser, title company, closing or settlement agent, realtor, builder or developer or any other party involved in the Property, Plans, Budget, Construction Contract or Project, that would impair in any way the rights of the City or the Program Administrator in the Property, Plans, Budget, Construction Contract or Project or that violated applicable law.

(m) **Environmental Matters.** Except as shown on Schedule II attached hereto (the “Environmental Schedule”), there are no underground storage tanks located on the Property; there is no past or present non-compliance with environmental laws, or with permits issued pursuant thereto, in connection with the Property (which has not been fully remediated in accordance with environmental laws); there is no environmental remediation required (or anticipated to be required) with respect to the Property; and Record Owner does not know of, and has not received, any written or oral notice or other communication from any person (including but not limited to a governmental entity) relating to hazardous substances or remediation thereof, of possible liability of any person pursuant to any environmental law, other environmental conditions in connection with the Property, or any actual or potential administrative or judicial proceedings in connection with the foregoing.

(n) **Property Value.** The aggregate amount to be financed or refinanced hereunder does not exceed 25% in relation to the greater of (i) the value of the Property as determined by the office of the applicable county assessor; or (ii) the value of the Property as determined by an appraisal conducted by a licensed appraiser.

Section 5. **Record Owner Covenants**

The Record Owner hereby covenants and agrees as follows:

(a) **Maintenance of Property.** The Record Owner shall, at all times, maintain the Property and, after construction, the Project. The Record Owner shall pay when due all taxes, assessments (including the Assessment), water charges, sewer charges and all other charges levied on or against the Property, and upon written request, submit to the City or the Program Administrator official receipts evidencing such payments.

(b) **Construction Start and Completion.** The Record Owner shall commence construction of the Project and shall diligently proceed with construction of the Project in accordance with the approved Plans and Budget and in a good, substantial and workmanlike manner in accordance with the Construction Contract and all applicable laws, ordinances, codes,
rules and regulations. [Construction of the Project shall be completed on or prior to the Outside Completion Date as defined in Exhibit A, if applicable.]

(c) **Protection Against Liens.** Except for any Permitted Liens, the Record Owner shall promptly pay and discharge all claims for labor performed and material and services furnished in connection with construction of the Project, and take all other steps necessary to prevent the assertion of claims or liens either against the Property or the Project, other than (i) the claims and lien provided herein, (ii) liens, if any, for taxes imposed by any governmental authority not yet due or delinquent, and (iii) such other title and survey exceptions as the City or the Program Administrator has approved or may approve in writing in its sole discretion.

(d) **Periodic Reports/Certifications.** Upon request by the City or the Program Administrator during the period construction of the Project begins on the Property until the Project has been accepted as completed pursuant to the terms of the Construction Contract, the Record Owner shall provide to the City or the Program Administrator a written statement, certified as true, correct and complete, setting forth the status of the Project, including an updated schedule for completion of construction of the Project. Such certification shall be in such form and with such detail as the City or the Program Administrator shall specify and may be included in completion certificate(s) as set forth in the Guidebook.

(e) **Notice of Claims; Adverse Matters.** The Record Owner shall promptly notify the City or the Program Administrator in writing of any potential Insolvency Event and all pending or threatened litigation or other matters that may materially and adversely affect the Property or Record Owner’s ability to meet its obligations under the Transaction Documents or otherwise with respect to the Financing Purposes. “Insolvency Event” shall mean the Record Owner has (i) consented to the appointment of a conservator or receiver or liquidator in any insolvency, bankruptcy, readjustment of debt, marshalling of assets and liabilities or similar proceeding or of relating to the Record Owner or relating to all or substantially all of such Record Owner’s property, (ii) fails to pay its debts as they become due and such failure has not been cured within thirty (30) days of the event; (iii) admitted in writing its inability to pay its debts as they become due, (iv) filed a petition to take advantage of any applicable insolvency or reorganization statute, (v) made an assignment for the benefit of its creditors, (vi) has filed against it a petition for involuntary bankruptcy or some other involuntary insolvency proceeding which is not dismissed within thirty (30) days, or (vii) voluntarily suspended payment of its obligations.

(f) **Waiver and Release of Claims Against City, the Program Administrator, the Authority and Related Parties.** For and in consideration of the City’s execution and delivery of this Contract and the Authority and, if applicable, the Warehouse Fund providing capital to finance the Project, Record Owner (for itself and for any successor-in-interest to the Property and for anyone claiming by, through or under Record Owner, including without limitation, heirs, personal representatives, mortgagees and transferees), hereby waive the right to recover from the City, the Program Administrator, the Authority, the Warehouse Fund and any and all members, officers, officials, agents, bond trustee, employees, attorneys and representatives of any of them, as well as their successors and assigns (collectively, the “Financing Parties”), and fully and irrevocably release the Financing Parties from, any and all claims, obligations, liabilities, causes of action or damages (including attorneys’ fees and court costs), that Record Owner may now have or hereafter acquire against any of the Financing Parties and accruing from or related to (i) this Contract, (ii)
the disbursement of Bond proceeds or interim financing provided by a Warehouse Fund, if applicable, (iii) the levy and collection of the Assessment, (iv) the imposition of the lien of the Assessment, (v) the performance of the Project, (vi) the Project, (vii) any damage to or diminution in value of the Property that may result from construction or installation of the Project, (viii) any injury or death that may result from the construction or installation of the Project, (ix) the selection of manufacturer(s), dealer(s), supplier(s), contractor(s) and/or installer(s), and their action or inaction with respect to the Project, (x) the merchantability and fitness for any particular purpose, use or application of the Project, (xi) the amount of energy savings, energy production, water conservation or other performance outcomes resulting from the Project or any assured performance guaranty, (xii) the workmanship of any third parties under any agreements including, without limitation, any Construction Contract, and (xiii) any other matter with respect to the PACE Program (collectively, the "Liabilities").

This release includes claims, obligations, liabilities, causes of action and damages of which the Record Owner is not presently aware or which the Record Owner does not suspect to exist which, if known by the Record Owner, would materially affect Record Owner’s release of the Financing Parties. Notwithstanding the foregoing, Record Owner’s releases under this Section shall not extend to Liabilities arising from any Financing Parties willful misconduct. The Record Owner acknowledges that the Financing Parties established the PACE Program solely for the purpose of facilitating financing of energy projects arranged by owners of commercial property located in the PACE Area. The Financing Parties are not responsible for the selection, management and/or supervision of the Project, the Project’s performance, the Construction Contracts or any assumed performance guaranty. Any issues related to performance of the Project should be discussed with chosen contractors, installers, manufacturers and/or distributors involved with the Project. The waivers and releases by Record Owner contained in this Section shall survive the disbursement of any Bond proceeds, interim financing provided by a Warehouse Fund, if applicable, or any portion thereof, the transfer or sale of the Property by Record Owner and the termination of this Contract.

Notwithstanding the foregoing or anything to the contrary contained in this Contract, the waiver and release provided for in this Section shall not bar the Record Owner, its successors-in-interest to the Property, from bringing an equitable action against the City for specific performance of its duties and obligations under this Contract, or to enjoin or prevent the violation of this Contract thereby, it being understood and agreed, however, that the Financing Parties shall not be liable for money damages or costs of such equitable proceeding except insofar and to the extent such Liabilities arise from their willful misconduct.

(g) Engineering Commissioning and Verification.

(i) If the PACE Funding exceeds $2 million, then, to verify that the Project is installed and performs according to projections modeled and reported in an Energy Audit, Energy Review or Renewable Energy Feasibility Study provided by the Record Owner and accepted by the Program Administrator to satisfy the requirements of the PACE Program and detailed in the Technical Project Review (“TPR”) submitted as part of the PACE Project Application, engineering commissioning and verification (“ECV”) of the Project shall be performed according to the requirements set forth in the Program Guidebook.
(ii) Upon completion of ECV, the Record Owner shall submit a post-construction ECV report to the City or the Program Administrator in a form provided by the Program Administrator. This report shall contain:

(1) A statement that systems have been completed in accordance with the Project Report and Project contract documents, and that the systems are performing as expected; and

(2) Identification and discussion of any substitutions, compromises, or variances between the final design intent, contract documents and as-built conditions.

Section 6. **Lien; Foreclosure.**

(a) **Lien.** The Assessment, and each installment thereof and the interest and any penalties thereon shall constitute a lien against the Property until they are paid, which lien shall be coequal to and independent of the lien for general taxes.

(b) **Foreclosure.** The Record Owner acknowledges and agrees that if any Assessment installment is not paid when due, the City shall have all rights and remedies for such non-payment as it does with respect to delinquent property taxes and other delinquent special assessments as set forth in Article 9 of the Illinois Municipal Code, including the lien, sale, and foreclosure remedies described in that Article (“Enforcement Remedy”). Any Assignee shall have and possess the delegable powers and rights at law or in equity as the City would have with respect to an Enforcement Remedy with regard to (i) the precedence and priority of liens evidenced by this Contract, (ii) the accrual of interest, and (iii) the fees and expenses of collection, and shall have the right to enforce such liens through an Enforcement Remedy. The Record Owner acknowledges that the Assignee may obligate itself, through a covenant with the owners of the Bonds, to exercise an Enforcement Remedy with respect to enforcement of delinquent Assessments under circumstances specified in such covenant.

Section 7. **Financing or Refinancing of the Project.** The parties hereby agree that the net proceeds of the Bonds or interim financing provided by a Warehouse Fund, if applicable, allocable to the Assessment shall be used to finance or refinance the Project.

Section 8. **Term; Contract Runs with the Land; Division.**

(a) Except as otherwise set forth in this Contract, this Contract shall expire upon the final payment or prepayment of the Assessment.

(b) This Contract establishes rights and obligations that are for the benefit of the Property and, therefore, such rights and obligations run with the land.

(c) The obligation to pay the Assessment is an obligation of the Property and no agreement or action of the Record Owner shall be competent to impair in any way the rights of the City or the Program Administrator or the rights of any Assignee, including, but not limited to, the right to pursue judicial foreclosure of the Assessment lien or the right to enforce the collection of the Assessment or any installment thereof against the Property.
In the event the Property is divided while the Assessment remains unpaid, the unpaid installments of the Assessment shall be segregated and apportioned by the City or the Program Administrator in accordance with a method selected by it in its good faith judgement.

Section 9. Recordation of Documents. The City or the Program Administrator shall record or cause to be recorded in the office of the County Recorder this Contract and any other documents required by applicable law or any Assignee to be recorded.

Section 10. Notice. The Record Owner shall provide written notice to any subsequent purchaser of the Property, or a portion thereof, of the obligation to pay the Assessment.

Section 11. Waivers, Acknowledgment and Contract.

(a) Since the Assessment is voluntary and imposed, in accordance with the Act, pursuant to this Contract, the Record Owner hereby waives any otherwise applicable requirements of the Special Assessment Supplemental Bond and Procedures Act, or any other provision of Illinois law, for notice or public hearing.

(b) The Record Owner hereby waives its right to appeal or contest the Assessment or to file any lawsuit or other proceeding to challenge the Assessment or any aspect of the proceedings of the City undertaken in connection with the PACE Program. The Record Owner hereby agrees that the Record Owner and its successors in interest to fee title in the Property shall be solely responsible for the installation, operation and maintenance of the Project. The Record Owner hereby acknowledges that the Record Owner and its successors in interest to fee title in the Property will be responsible for payment of the Assessment regardless of whether the Project is properly installed, operated, maintained or performs as expected.

(c) The Record Owner hereby agrees that the City is entering into this Contract solely for the purpose of assisting the Record Owner with the financing or refinancing of the Project, and that neither the City nor the Program Administrator has any responsibility of any kind for, and shall have no liability arising out of, the installation, operation, financing, refinancing, maintenance or performance of the Project. The Record Owner hereby certifies to the City that the City has complied with the provisions of Section 25 of the Act. The Record Owner hereby waives the right to recover from and fully and irrevocably releases the Financing Parties from any and all losses, liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all reasonable out-of-pocket litigation costs and reasonable attorney’s fees), relating to the subject matter of this Contract that the Record Owner may now have or hereafter acquire against the Financing Parties.

Section 12. Indemnification.

(a) The Record Owner agrees to indemnify, defend, protect, and hold harmless the Financing Parties from and against all losses, Liabilities, claims, damages (including consequential damages), penalties, fines, forfeitures, costs and expenses (including all out-of-pocket litigation costs and attorney’s fees) and any demands of any nature whatsoever related directly or indirectly to, or arising out of or in connection with (i) the Record Owner’s participation in the PACE Program, (ii) the Assessment, (iii) the Project, or (iv) any other fact, circumstance or event related to the subject matter of this Contract, regardless of whether such losses, liabilities, claims, damages
(including consequential damages), penalties, fines, forfeitures, costs and expenses (including all out-of-pocket litigation costs and attorney’s fees) accrue before or after the date of this Contract.

(b) The provisions of this Section shall survive the termination of this Contract.

Section 13. Right to Inspect Property. The Record Owner hereby grants the City, the Program Administrator, the Authority, the Bond trustee, the Warehouse Fund and their respective agents and representatives the right to enter at any reasonable time, upon reasonable notice, to inspect the Project. The Record Owner further hereby grants the City, the Program Administrator, the Authority, any Bond trustee, the Warehouse Fund and their respective agents and representatives the right to examine and copy any documentation relating to the Project.

Section 14. PACE Project Application. The Record Owner hereby represents and warrants to the City and the Program Administrator, that the information set forth in the PACE Project Application submitted to the City or the Program Administrator in connection with its request for PACE Funding is true and correct as of the date hereof, and that the representations set forth in the PACE Project Application with respect to the Property and the Record Owner are true and correct as of the date hereof as if made on the date hereof.

Section 15. Amendment. This Contract may be modified or amended only by the written agreement of the City (or its Assignee, as applicable) and the Record Owner and the consent of the Assignee, if any.

Section 16. Binding Effect; Assignment. This Contract inures to the benefit of and is binding upon the City and the Record Owner and its respective successors and assigns. The City has the right to assign any or all of its rights and obligations under this Contract without the consent of the Record Owner. Each of the Program Administrator, the Authority (either directly or via an intermediate assignment), any Capital Provider (either directly or via an intermediate assignment), any Bond trustee (either directly or via an intermediate assignment) or the Warehouse Fund shall be a “permitted assignee” (as defined in the Act) for any purpose hereunder.

Section 17. Exhibits. Exhibit A, Schedule I and Schedule II attached to this Contract are incorporated into this Contract by this reference as if set forth in their entirety in this Contract.

Section 18. Severability. If any provision of this Contract is held invalid or unenforceable by any court of competent jurisdiction, such holding will not invalidate or render unenforceable any other provision of this Contract.

Section 19. Corrective Instruments. The City (or its Assignee, as applicable) and the Record Owner, with the consent of the Assignee, if any, shall, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required in order to carry out the expressed intention of this Contract; provided, however, the prior written consent of the Authority shall be obtained in connection with any such amendment or supplement if Bonds are issued through the Authority, pursuant to subsection (d) of Section 825-65 of the Authority Act; provided, further, however, if applicable, the prior written consent of the Warehouse Fund shall be obtained in connection with any such amendment or supplement if funding by the Warehouse Fund is outstanding.
Section 20. Governing Law: Venue. This Contract shall be construed in accordance with and governed by the laws of the State of Illinois applicable to contracts made and performed in the State of Illinois. This Contract shall be enforceable in the State of Illinois, and any action arising hereunder shall (unless waived by the City in writing) be filed and maintained in the Circuit Court of St. Clair County; provided, however, that actions to foreclose delinquent installments of the Assessment shall be filed and maintained in the Circuit Court of the County identified in Exhibit A.

Section 21. Counterparts. This Contract may be executed in several counterparts, each of which is an original and all of which constitutes one and the same instrument.

Section 22. Monitoring and Recording of Telephone Calls. The City or the Program Administrator may monitor and/or record telephone calls for security and customer service purposes. By agreeing to this Contract, the Record Owner agrees to have his, her or its telephone calls with the City or the Program Administrator recorded.

Section 23. Electronic Signatures.

(a) The parties hereto acknowledge and agree that this Contract may be executed by one or more electronic means (“Electronic Signatures”). Each party hereto agrees that Electronic Signatures provided by such party shall constitute effective execution and delivery of this Contract by such party to all other parties to or relying on this Contract. Each party hereto agrees that Electronic Signatures shall constitute complete and satisfactory evidence of the intent of such party to be bound by those signatures and by the terms and conditions of this Contract as signed. Each party hereto agrees that Electronic Signatures shall be deemed to be original signatures for all purposes.

(b) Each party hereto agrees to accept Electronic Signatures provided by any and all other parties to this Contract as (i) full and sufficient intent by such parties to be bound hereunder, (ii) effective execution and delivery of this Contract, and (iii) constituting this Contract an original for all purposes, without the necessity for any manually signed copies to be provided, maintained or to exist for back up or for any other purpose.

(c) If Electronic Signatures are used to execute this Contract, each party hereto hereby accepts the terms of, and intends and does sign, this Contract by its Electronic Signature hereto.

Section 24. Transaction Documents.

(a) The Record Owner acknowledges and agrees that the entire agreement between Record Owner and the City includes the Transaction Documents.

(b) By executing this Contract, the Record Owner acknowledges and agrees that:

(i) The Record Owner has had sufficient time to review and has reviewed each of the Transaction Documents and has had the opportunity to ask any questions of the City, the Program Administrator, or the Assignee that Record Owner may have regarding such Transaction Documents;
(ii) The Record Owner acknowledges receipt of and has reviewed, understands and agrees to each and every additional requirement and term contained in the Program Guidebook; and

(iii) The Record Owner has reviewed, understands, agrees to and affirms each and every representation and warranty contained in the Record Owner’s PACE Application and the Program Guidebook.

Section 25. Execution and Return of Contract. The Record Owner must execute and return this Contract to the City or the Program Administrator at the address set forth in the “Notice Information” section of Exhibit A so that it is received by the City or the Program Administrator not later than the expiration date set forth on Exhibit A. If the Record Owner fails to return this Contract so executed to the City or the Program Administrator by the expiration date, the City reserves the right to require the Record Owner to enter into a new Contract. The signature of each person signing as or on behalf of the Record Owner must be notarized by a duly licensed notary unless executed by Electronic Signatures.
IN WITNESS WHEREOF, the City and the Record Owner have caused this Contract to be executed in their respective names by their duly authorized representatives, all as of the Effective Date.

Record Owner:

__________________________
Signature
Date: _______________________
Month/Day/Year

STATE OF _______
COUNTY OF _______

I, ________________________, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT ___________________________________, the ___________ of _________________, a ____________, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such ______________, appeared before me this day in person and acknowledged that ____ signed and delivered the said instrument, pursuant to authority given by said ______________, as _____ own free and voluntary act, and as the free and voluntary act of the municipal corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal as of ________________________, ______.

__________________________
Notary Public

My Commission Expires:  (SEAL)
IN WITNESS WHEREOF, the City and the Record Owner have caused this Contract to be executed in their respective names by their duly authorized representatives, all as of the Effective Date.

City: Authorized Signatory

________________________________________
Name (Please Print)

________________________________________          __________________________
Signature                                            Date of Execution

STATE OF ILLINOIS )
COUNTY OF ST. CLAIR )

I, ______________________________________, a notary public in and for said County, in the State aforesaid, DO HEREBY CERTIFY THAT ________________________________________, the __________ of the City of Fairview Heights, a municipal corporation and home rule unit of the State of Illinois, personally known to me to be the same person whose name is subscribed to the foregoing instrument as such ______________, appeared before me this day in person and acknowledged that ____ signed and delivered the said instrument, pursuant to authority given by said municipal corporation, as _____ own free and voluntary act, and as the free and voluntary act of the municipal corporation for the uses and purposes therein set forth.

GIVEN under my hand and notarial seal as of ______________________, ______.

________________________________________
Notary Public

My Commission Expires: (SEAL)
EXHIBIT A

RECORD OWNER, DESCRIPTION OF PROPERTY, DESCRIPTION OF PROJECT, TRANSACTION DOCUMENTS, OUTSIDE COMPLETION DATE, IDENTIFICATION OF CIRCUIT COURT, NOTICE INFORMATION AND EXPIRATION DATE

Record Owner:

Description of Property:

Property Address:

PINS:

County: St. Clair

Description of Project:

The Project consists of the following (check all that apply):

_____ Energy Efficiency Improvement

_____ Alternative Energy Improvement

_____ Water Use Improvement

_____ Renewable Energy System

Transaction Documents:

Outside Completion Date:

Identification of Circuit Court for Foreclosure Actions:

Expiration Date:
Notice Information:

[PACE Program Notice Information]

[Record Owner Notice Information]

Legal Description:
EXHIBIT B
PERMITTED LIENS
SCHEDULE I

TERMS OF ASSESSMENT, SCHEDULE OF ANNUAL ASSESSMENT INSTALMENTS, INCLUDING PRINCIPAL, INTEREST AND ANNUAL ASSESSMENT ADMINISTRATIVE FEE

Assessment Amount:

The amount of the Assessment (the “Assessment Amount”), is allocable to the cost of the Project (“Project Cost”), including the cost of materials and labor necessary for installation, permit fees, inspection fees, and other eligible costs, fees and expenses related to the Project, to program administrative fees (“Program Fees), allocable to the costs and fees of operating the Program or other fees that may be incurred by the Record Owner pursuant to the installation and the issuance of Bonds on a specific pro rata basis and the provision of interim financing by the Warehouse Fund, to other incidental fees and expenses (“Other Fees”), allocable to all other capitalized closing fees that may be incurred by the Record Owner to pay administrative costs including property specific legal reviews and recording fees, to capitalized interest (“Capitalized Interest”), to a debt service reserve (if required) (“Debt Service Reserve”), and to any fees charged by a private lender or capital provider (“Capital Provider Fees). The Assessment shall be spread among the PINs in the years and amounts as set forth below [in an amendment to this Schedule which shall be executed when the Bonds are issued].

Interest Rate: ___% per annum

Term: ______ years

| Project Cost |  |
| Program Fees |  |
| Other Fees |  |
| Capitalized Interest |  |
| Debt Service Reserve (if required) |  |
| Capital Provider Fees |  |
| Assessment Amount |  |

Annual Administrative Assessment Fees are not included in the Assessment Amount but are due and payable by the Record Owner in addition to the Assessment Installment.

<table>
<thead>
<tr>
<th>Tax Year (commencing January 1)</th>
<th>Interest</th>
<th>Principal</th>
<th>Assessment Installment</th>
<th>Annual Administrative Assessment Fee*</th>
<th>Total Estimated Contractual Assessment Payment</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
*Estimated, subject to change

**Prepayment:**

The Assessment may be prepaid, in whole or in part, as described in Section 3(f) of this Contract and as set forth below.

Minimum prepayment amount: $____________

Redemption premium:
SCHEDULE II

ENVIRONMENTAL SCHEDULE

[INSERT "NONE" IF NOT APPLICABLE]
MEMORANDUM

TO:        Elected Officials
FROM:      Paul A. Ellis, Director of Economic Development
DATE:      July 12, 2019
SUBJECT:   Economic Dev. Dept. - Director's Report

1. The Steering Group for the Economic Development Strategy is reviewing elements of community place-making and has defined several “neighborhoods” for consideration:
   a. North of I-64  
   b. Regional Retail  
   c. West End  
   d. Moody Park  
   e. Frank Scott Parkway  
   f. The Valley (Metrolink)

2. Members of the Steering Group will meet again in August to review draft recommendations in preparation for a second Community Open House in late August or September.

3. St. Clair Square is welcoming the opening on Monday of Aerie (stylized as aerie), a lingerie lifestyle retailer and intimate apparel sub-brand owned by American Eagle Outfitters targeting the 15- to 25-year-old female demographic; the store is complementary to H&M, the new clothing retailer opening in the mall in September.

4. National retailer OshKosh B’gosh, a children’s apparel subsidiary of Carter’s, has signed a lease for pad space in Lincoln Place II; opening date yet to be announced.

5. Brightstar Capital Partners, a New York-based private investment firm, has acquired Gateway Bobcat, LLC (Bobcat of St. Louis) in partnership with Gateway Bobcat’s Founder & CEO Dan Anich, President Mike Allen, and members of its leadership team; there is no indication yet as to what impact, if any, acquisition will have on plans to expand or relocate the Fairview Heights facility.

6. The Director and the Director of Land Use & Development met with the owners of a business in the French Village area to discuss potential for expansion of their facility.

7. Local hotels have joined the City to cooperatively fund a full-page advertisement in the IndyCar Fan Program for World Wide Technology Raceway at Gateway as part of a growing partnership by and between the raceway, the City and participating hotels.

8. The Director has been working with Sustainable Solutions Funding (SSF) of St. Louis and the Illinois Finance Authority since the last Community Committee to
develop a local program for PACE (property assessed clean energy) financing for commercial properties; attached for review is the draft Ordinance to establish the program and the draft Memorandum of Understanding with SSF as the proposed Program Administrator.

9. Billboards to promote the Midwest Salute to the Arts event will be installed at two locations along I-64 entering Illinois for about two weeks prior to the event.

10. A public agency is looking to lease a large space for operations in the area; the agency’s broker met with the Mayor, the Director and the Director of Land Use & Development recently to review a potential location in the city’s West End; the discussion continues.

11. The Metro East Business Incubator (MEBI) is now pursuing financial support from several financial institutions and other businesses to match funding allocated by the State of Illinois and support opening of the facility at St. Clair Square this fall.

12. Fairview Heights will again host the Downstate Illinois P3 Luncheon for the International Council of Shopping Centers at the Fountains Conference Center on Aug. 29; keynote presenter this year will be the Vice President of Real Estate for Bealls Outlet Stores, a fast-growing chain just entering the Illinois market.

13. The Director has been awarded recertification for another three years by the International Economic Development Council (IEDC) in recognition of his continued professional experience, networking, and training.

Paul A. Ellis
Director of Economic Development

Attachments:

a. Ad for Fairview Heights lodging to run in the 2019 Worldwide Technology Raceway at Gateway IndyCar Fan Program
b. DRAFT Ordinance – Establishing a Property Assessed Clean Energy (PACE) area and establishing a PACE program to finance or refinance construction and installation of energy projects; and other matters related thereto
c. DRAFT Memorandum of Understanding – by and between City of Fairview heights, Illinois and Sustainable Solutions Funding, LLC
d. Recertification letter from the International Economic Development Council (IEDC)
LODGING AVAILABLE IN FAIRVIEW HEIGHTS:

- Comfort Suites
- Drury Inn
- Econo Lodge
- Fairview Inn & Suites
- Four Points by Sheraton
- French Village Motel
- Hampton Inn
- Holiday Inn
- Super 8
- Trailway Motel

Fairview Heights is the nearest full service community to the World Wide Technology Raceway at Gateway and features more than 3 million square feet of retail space, including:

- Downstate Illinois’ super regional shopping mall – St. Clair Square
- Seven other regional shopping centers
- More than 75 restaurants
- Two conference centers
- The REC - (New $20 Million Recreational Center)

THAT’S WHY FOR FIFTY YEARS, WE’VE BEEN KNOWN AS THE “RETAIL HUB OF SOUTHERN ILLINOIS.”

NEW in 2019:
- Aerie
- OshKosh B’gosh
- H&M
- Total Wine & More
- Urban Air Adventure Park
### DISTRIBUTION MONTHS

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>MAY</td>
<td>629,863.98</td>
<td>601,011.50</td>
<td>586,147.75</td>
<td>632,285.33</td>
<td>571,553.40</td>
<td>553,114.13</td>
<td>490,116.91</td>
<td>-11.4%</td>
<td>(62,997.22)</td>
</tr>
<tr>
<td>JUN</td>
<td>692,902.50</td>
<td>655,667.46</td>
<td>708,268.15</td>
<td>696,077.63</td>
<td>677,065.69</td>
<td>676,704.83</td>
<td>654,604.36</td>
<td>-3.3%</td>
<td>(22,100.47)</td>
</tr>
<tr>
<td>JUL</td>
<td>578,187.49</td>
<td>574,119.26</td>
<td>563,612.88</td>
<td>576,220.16</td>
<td>599,877.49</td>
<td>555,320.85</td>
<td>572,195.98</td>
<td>3.0%</td>
<td>16,875.13</td>
</tr>
<tr>
<td>AUG</td>
<td>602,449.00</td>
<td>586,795.92</td>
<td>607,839.70</td>
<td>608,444.47</td>
<td>600,057.37</td>
<td>607,357.54</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>SEP</td>
<td>663,854.82</td>
<td>610,055.28</td>
<td>653,462.36</td>
<td>679,234.60</td>
<td>613,965.54</td>
<td>623,578.60</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>OCT</td>
<td>572,075.75</td>
<td>554,178.50</td>
<td>573,059.41</td>
<td>572,368.09</td>
<td>476,801.05</td>
<td>540,557.44</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>NOV</td>
<td>620,158.32</td>
<td>574,589.49</td>
<td>642,921.78</td>
<td>599,121.43</td>
<td>575,354.24</td>
<td>570,594.16</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>DEC</td>
<td>631,306.50</td>
<td>468,313.25</td>
<td>626,164.49</td>
<td>612,305.99</td>
<td>581,474.30</td>
<td>577,677.65</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>JAN</td>
<td>576,698.91</td>
<td>589,088.14</td>
<td>627,103.06</td>
<td>570,540.96</td>
<td>564,056.46</td>
<td>560,273.13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>FEB</td>
<td>710,629.96</td>
<td>687,960.48</td>
<td>695,015.32</td>
<td>678,820.57</td>
<td>672,397.54</td>
<td>668,036.72</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MAR</td>
<td>1,049,090.01</td>
<td>969,659.49</td>
<td>1,041,010.81</td>
<td>974,290.59</td>
<td>935,340.51</td>
<td>870,591.30</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>APR</td>
<td>532,313.55</td>
<td>458,225.94</td>
<td>519,339.92</td>
<td>488,717.27</td>
<td>528,625.80</td>
<td>457,194.13</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>YTD TOTAL</td>
<td>$ 7,859,530.79</td>
<td>$ 7,329,664.71</td>
<td>$ 7,843,945.63</td>
<td>$ 7,688,427.09</td>
<td>$ 7,396,569.39</td>
<td>$ 7,261,000.48</td>
<td></td>
<td>$ (68,222.56)</td>
<td></td>
</tr>
<tr>
<td>YTD CHANGE</td>
<td>1.0%</td>
<td>-6.7%</td>
<td>4.3%</td>
<td>-2.0%</td>
<td>-3.8%</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>MONTHLY AVG</td>
<td>$ 654,960.90</td>
<td>$ 610,805.39</td>
<td>$ 653,662.14</td>
<td>$ 640,702.26</td>
<td>$ 616,380.78</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>

**State 1% Municipal Tax Portion**
INTEROFFICE MEMORANDUM

To: City Council
From: Andrea Riganti, Land Use and Development Director
Subject: Director's Report
Date: July 12, 2019

Following are the major action items or ongoing projects for the Department of Land Use and Development (LUD):

Planning and Zoning
- Zoning Board of Appeals did not meet in June, 2019 due to lack of agenda items.

- Planning Commission did not meet in July due to lack of agenda items.

- Staff continues to consult with developers, property owners, and residents on new development and zoning related matters.

- Staff continues to work with Economic Development Department and consultants on the Economic Development Strategy.

- Staff continues to work on TIF implementation and administration.

- Staff is providing technical guidance on the possible creation of a neighborhood association.

- Staff met with the Chief Statewide Floodplain Programs for the State for an audit of the City's floodplain regulations and management programs. The City is in compliance. It was pointed out though the mapped floodplain areas are limited, the larger flood problems are related to urban flooding and stormwater flooding. Efforts should be made to keep known areas of flooding free of flood risk.

- Related to the above action item, staff continues to work with Public Works Department on stormwater issues. As the City ages, existing systems exceed capacity and permeable surfaces decrease, more complaints on stormwater problems are received from neighbors and businesses. Staff has been working with several property owners to develop long term solutions. The problems likely will worsen without a city-wide (ideally regional) plan of action.

- Staff continues to work with peer planners on drafting a model recreational marijuana ordinance. Planning Commission and City Council will need to provide guidance to staff, who will prepare the appropriate land use/zoning legislation.
• Staff has been elected to the St. Louis, Missouri/Illinois American Planning Association board. This regional peer organization provides education, networking, position statements and more to the St. Louis Metropolitan Area.

Code Enforcement
• Staff continues to perform routine inspections of problem properties and “hot spots” for potential property maintenance issues. Staff also responds to complaint driven issues for same.

• Staff continues to respond to animal control calls. As per the City ordinance, staff is to respond to complaints about domesticated animals – specifically dogs and cats. Complaints about other types of animals should be referred to a private contractor or the County. Currently, the City does not have the resources or proper licensure to capture, impound, or otherwise dispose of other nuisance animals.

• LUD is short-staffed on code enforcement inspectors, with one being on medical leave. Staff will prioritize complaints based on level of severity, and continue to focus on re-inspections of cited properties to ensure compliance; if none, follow-up with progressive action.

• With warmer temperatures, staff began distributing larvacide pellets in standing water areas (retention/detention areas) to reduce the mosquito population.

• Staff is collaborating with the Department of Public Works on grass cutting of nuisance properties. A part-time staff person has been hired for this task.

Building Division

• Staff is developing an application, brochures, and implementation processes for licensing electrical contractors in accordance with recently adopted 1838-2019 requiring same. The target date for implementation is October 1, 2019.

• Staff continues to perform plan review and building related inspections. This time of year is extremely active for construction.

• Attached is recent building activity and status.

The Department is evaluating a new cloud based permitting system that will better integrate all permitting functions, have expansion capabilities, and be more user friendly. It will provide more efficiencies and significantly reduce redundancies. The current system has very limited abilities. For example, inspections cannot be scheduled or linked to a permit – a paper calendar is used.

Please let me know if there are questions or concerns.
NEW COMMERCIAL PROPERTIES UNDER CONSTRUCTION

1. New Strip Center – Dulaney Enterprises – 5325 North Illinois – Mix Use
   Vernon Dulaney @660-9522.
   Jackie Wooten @314-497-6098
3. HSHS Offices – 343 Fountains Parkway Ste 102 – Interior Demolition only
   Kari Haller @277-8870
4. AT & T Roof Top Tower – 6701 N Illinois US BANK
   Lindsey @636-922-3400
   Tim Slater @741-2924
   Kari Haller / Holland Construction @277-8870
7. Fairview Heights Medical Office – 317 Salem Place
   Nathan Lubin Enterprises @901-485-4478.
8. Verizon – MCI – 5 Ludwig Dr Boring ROW –
   Terry Harrison @314-737-3343
   Terry Harrison @314-737-3343
10. MCI METRO – 6701 – Boring – Fiber Optic
    Terry Harrison @314-737-3343
    Robert Stanley @407-6057
12. Long Acre Ponds Building #10 – 21 Northbrook Circle – Renovations
    Charles Brown/CAMP CONSTRUCTION @ 704-493-5700
13. Total Eye Care – 815 Linc Hwy #103 – Alterations
    Robbie Mize @616-8498
14. H & M – St Clair Square – Retail – Landlord Build Out
    Michael Lee /CASCO+R5 @314-238-2029
15. MacDonalds – 6300 North Illinois – Interior remodel and Menu Board change
    Kara Markley @314-843-4320
16. Urban Air – 67 Ludwig Dr – Tenant Finish – Assembly
    Morgan Stewart @ 636-970-0330
17. Sahara Hair Salon – 10230 Lincoln Trail – Hair Salon Re-location
    Christina Sanchez @560-6488
18. Drury Inn – 12 Ludwig Drive – Remodel/Alterations
    Jeremiah Nichols @ 217-853-4364
19. ITIC – Support Services – 125 N Ruby Lane – Remodel
    Jason McCoy @410-0726
20. Los Gauchos Restaurant – 823 Lincoln Hwy Ste 105 – Build Out
    Robbie Mixe @616-8498
CONTINUED:

   Brandon Webb @951-582-5758.
22. GSA – 15 Executive dr – Tenant Remodel & Parking Addition
   Heather Stewart @314-242-0194
23. Crossroads Centre – 10850 Lincoln Trail – Site & Building Improvements
   Impact Strategies @394-8400
24. Safe Lock Storage – Longacre Drive – Storage Units
   Jeff Parrish @314-220-3100
25. Forever 21 – St Clair Sq Suite 112 – Tenant Finish Expansion - Retail
   Jason Prado @213-763-6704
   Michael Thieleman @541-200-8100.
27. ITIC Behaviorial health Services – 141 Market Place Ste 100 – Office
   Chris Loesser @314-393-7972
28. Grace Church – 5151 N Illinois – Addition and Site work
   Robb Lappe@ 314-725-5588
29. H & M – St Clair Squre – Tenant Finish
   Kevin McKenna @312-260-7074
30. AT & T Tower – 10025 Bunkum Rd – TowerGenerator
   Casey Werner @502-263-9472
   Kevin McKenna @800-407-7990
32. Carters and Idds – 5961 North Illinois – Retail
   Bryant Daniel @860-783-5670
33. First Baptist Church – 10401 Lincoln Trail – Shad Canopies.
   Jerry Parsons @314-363-7637
34. Sky Zone – 10850 Linc Trail – Axe Attraction
   Mike @314-750-0898
35. Axe Company – 58 Commerce lane – tenant Finish
   Tim Jenkins @618-980-6913
36. Dr. Shabbir Shaikh – 5003 N Illinois – Office
   Sabbir @233-5000
NEW UPCOMING COMMERCIAL PROJECTS AND UNDER REVIEW

1. Mark II – 10505 Lincoln Trail – Door modifications
   Hans Kohl @234-6720
2. Ana Creative Cakes & Cookies – 9211 St Clair Ave – Tenant Finish
   Torre Edwards @618-363-8278
3. The Lofts Hair & Beauty – 4 Longacre Drive – NEW CONSTRUCTION
   H Sue Edith @979-6064
4. 1010 & 1030 Linc Hwy / 6321 Old Collinsville Rd – Demolition/Moto Project
   Andrew Wall @618-233-6754
5. Grace Church – 5151 N Illinois – Site Improvements and Addition
   Justin Hug @632-7004
6. 
   Bryan Chasten @314-238-2218
8. The Lofts Hair & Beauty – 4 Longacre Drive – Business
   Helen Edith @979-6064
   Kathy @233-5000
10. Verizon Tower addition – 104 Ludwig Dr.
    Sydney James @314-989-9810
    Michael Gasser @317-249-2028
12. Chuck E Cheese 10850 Lincoln Trail Ste 4 – interior remodel
    Cathy West @469-470-2074
NEW BUSINESSES – Commercial Inspections & Change of Occupancy in last 30 days

1. Olga’s Alterations – 9 Canty Lane – Business/Mercantile
   Jim Bernoski @618-660-6139.
2. Discovery Kids Learning center – 1011 Lincoln Trail – Day Care
   Tamara Junkett @304-0227
3. Andrea brave Studios – 10242 Lincoln Trail – Beauty & design
   Mia Mosley @567-6356.
4. Priceless Thrift & More – 10238 Lincoln Trail – Retail
   Cornelia Reid @310-8617
5. Glamberry Hair Boutique – 10251 Lincoln Trail – Hair Salon
   Alyssa Williams @469-223-3044
6. Morrison Plumbing & Heating – St Clair square KIOSK T-15
   Joe Rittenhouse @744-3200.
7. Shelter Insurance – 10517 Lincoln Trail – Office/Sales
   John Everright @973-1103
8. Fashion Store 2 – St Clair Sq #120 – Retail
   Aslan Demit @680-339-6232
9. Quality Food Enterprises LLC – St Clair Sq #281 – Retail
   Waleed Ashkar @207-1750.
10. The Miracle Collection – 10304 Lincoln Trail #4 – Retail
    Miracle Carraway @314-449-4324.
11. Sound Mind Counseling – 8 ½ Canty Lane – Business Office
    Stephanie Reed @ 514-2360.
    Trina S Neely @ 530-3334
13. Shelter Insurance – 10517 Lincoln Trail – Office
    John Everright @ 973-1105