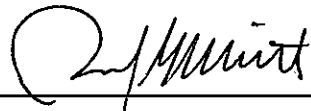


**VILLAGE OF LOMBARD TAX INCREMENT FINANCING (TIF) GRANT RECIPIENT
PREVAILING WAGE ACKNOWLEDGMENT FORM**


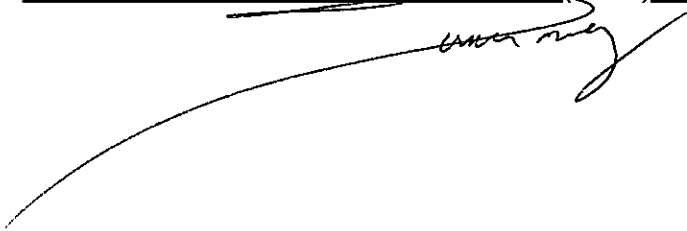
The Village of Lombard requires all contractors (and any subcontractors) doing work on projects funded by TIF grants to comply with the Illinois Prevailing Wage Act, 820 ILCS 130/1. Prevailing wage rate updates can be obtained by calling the Illinois Department of Labor at (312) 793-2914, or writing to the Illinois Department of Labor at: 310 S. Michigan Avenue, 10th Floor, Chicago, Illinois 60604, or by visiting <http://www.state.il.us/agency/idol/rates/rates.HTM>. The Illinois Prevailing Wage Act requires all contractors and any subcontractors participating on projects subject to the Illinois prevailing Wage Act to submit monthly certified payrolls to the Village of Lombard.

In light of the foregoing, and as a condition to receiving a TIF grant from the Village of Lombard, the undersigned agrees to fully comply with the Illinois Prevailing Wage Act, relative to any project funded by a TIF grant from the Village of Lombard, and agrees to require any contractor/subcontractors working on any such TIF grant funded project to also comply with the Illinois Prevailing Wage Act.

Business Owner Signature

 (Date) 4/27/12

Property Owner Signature

 (Date) _____


DOWNTOWN RETAIL BUSINESS GRANT PROGRAM POLICY



January 11, 2011

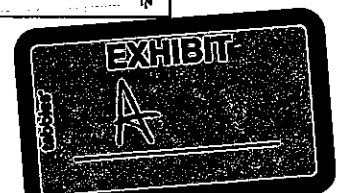
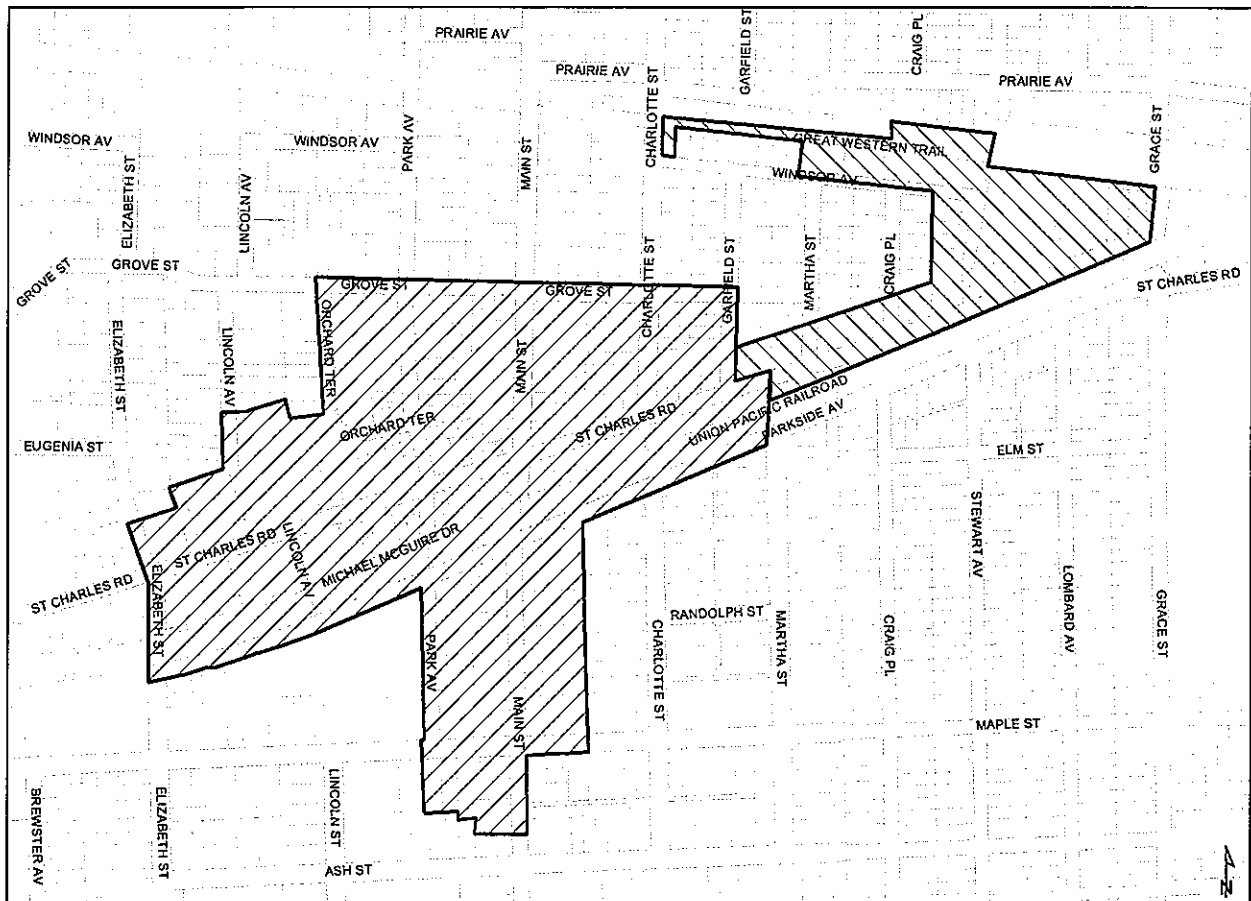
The purpose of the Downtown Retail Business Grant Program (hereinafter the “Program”) is to increase the economic viability of Downtown Lombard by attracting targeted retail businesses and assisting existing businesses in the Downtown. The program will offer a 50% matching grant for eligible expenditures associated with helping the start-up of new businesses or the expansion of existing businesses in the Downtown. Priority will be given to businesses that best complement the Lombard Downtown retail mix and help strengthen existing retail clusters. Grant monies derive from TIF funds, and therefore priority will be given to businesses with projected tangible benefits to the TIF area.

Eligible TIF Districts

The Program will only be offered to businesses located within the Lombard Downtown TIF District or the Lombard St.Charles Road TIF District I (West) (“hereinafter the “Eligible TIF Districts”). The boundaries of the Eligible TIF Districts are shown on Figure 1 below. An existing business in Lombard that is outside of the TIF boundaries would not be eligible for funds unless it opens an additional location within the boundaries of the Eligible TIF Districts.

Figure 1. Eligible TIF Districts

-  Lombard Downtown TIF District
-  Lombard St. Charles Road TIF I (West)



Program Eligibility

Eligibility requirements are as follows:

1. **Expenditures.** The following items shall be considered eligible expenditures:

Capital Costs- Those costs associated with improvements which are permanently affixed to the building, which are not specific to the use, and which do not restrict the future use of the building. Some examples include, but are not limited to: life safety and Americans with Disabilities Act accessibility code requirements, repair/replacement of roof, floors or structural walls; repair and/or replacement of electrical, plumbing, heating or cooling system; and installation of an elevator, sprinkler and fire or smoke alarm system.

Soft Costs- For purposes of this Program, the following items shall be considered soft costs and may be eligible for the Program: first three (3) months of rent (existing business must move into a new space in the Eligible TIF Districts or expand their existing space), signage, moving expenses, visual merchandising, retail consulting, and licensed space designer (ASID). Soft costs shall not exceed twenty-five percent (25%) of the total eligible expenditures.

****The Program does not cover costs associated with production equipment, media marketing/advertising, payroll, day-to-day operational costs (e.g. utilities, taxes, maintenance), refuse, or product.**

2. **Expansion.** If a business is seeking a Retail Business Grant for an expansion, a minimum investment of ten thousand and no/100 dollars (\$10,000) is required. If the expansion is associated with a service business with a substantial retail component, twenty-five percent (25%) of the total leasable floor area shall be dedicated to the new retail component, and only those costs associated with the expansion of the retail area shall be eligible. All expanding businesses shall provide financial statements for the past three (3) years demonstrating revenue from both retail and service activities.
3. **Amount.** Participants will be eligible for up to twenty thousand and no/100 dollars (\$20,000). Participants must expend verified funds and then will be reimbursed for eligible expenditures up to, but not exceeding, fifty percent (50%) of eligible expenditures. The Program shall not exceed twenty thousand and no/100 dollars (\$20,000) per participant. All Retail Business Grant requests shall require Village Board approval.
4. **Ownership/Lease.** Applicants must either own or have a minimum three (3) year lease in a first floor retail location along a public street. In some instances, approval may be contingent upon receipt of a copy of a written lease between a landlord and the applicant.
5. **Occupancy-** Businesses who receive Retail Business Grant money shall remain open at the location identified in their grant application for at least five (5) years from the date of the original Retail Business Grant disbursement. The Village shall be reimbursed by the applicant for any fees, including but not limited to attorney's fees associated with enforcement of this Program.

6. **Eligible Businesses.**

- A. Priority will be given to retail businesses that best complement the Lombard downtown retail mix. A list of targeted retail categories is as follows: clothing stores, produce market, cd/music store, design/decoration/furniture, electronics, home improvement, specialty foods, crafts/toys/hobbies, custom jewelry, kitchen/home accessories, children's products, entertainment venues (which complement restaurants in the downtown), specialty retail, computer store, shoe store, and art shops/galleries. Other stores may be eligible for the Program, subject to review by the Economic and Community Development Committee (the "ECDC").
- B. Service businesses with a substantial retail component, as defined by having twenty-five percent (25%) of its gross income and gross floor area, open to public and dedicated to retail sales activity, are potentially eligible for the Program. The dollar amounts awarded to service businesses with a substantial retail component will be a function of the amount and nature of the retail component associated with the business. For service businesses with substantial retail components that were previously in operation, sales data shall accompany the application. For start-up new service businesses with substantial retail components, up to half of the maximum possible Retail Business Grant award (i.e., no more than ten thousand and no/100 dollars (\$10,000)) of can be awarded with the start-up of the business. Notwithstanding the procedural requirement that prohibits applications after a Certificate of Occupancy has been issued, a start-up new service business applicant who is granted half of an award has the ability to make a second application for an additional half of an award (i.e., no more than ten thousand and no/100 dollars (\$10,000)) after a one (1) year period of time, with the ECDC considering the retail sales tax figures as part of the second application.
- C. Resale stores and service businesses without a substantial retail component are not eligible for the Program.

- 7. **Fees.** Professional, architectural, engineering, and Village permit fees may be included in the total improvement costs. The Program will fund up to twenty-five percent (25%) or one thousand five hundred and no/100 dollars (\$1500), whichever is less, of architectural rendering fees prior to approval of the improvements. All requests for architectural rendering fees prior to approval must have proper documentation and invoices. There are no application fees associated with the Program. However, if an applicant owes money to the Village, all accounts must be brought current before any portion of the Retail Business Grant is disbursed.
- 8. **Main Street Organization.** Recipients of a Retail Business Grant through the Program must maintain an active membership in the Lombard Town Centre organization.
- 9. **Conformance.** All improvements must conform to current building and zoning codes of the Village of Lombard. Any exterior improvements completed in the Lombard Downtown TIF District must conform to the *minimum design criteria* outlined in the "Downtown Lombard Improvement Plan" dated March 26, 1987. The business owner must maintain the property in compliance with all federal and local laws, ordinances, and regulations.

10. **Administration.** The program will be jointly administered by the Department of Community Development and Lombard Town Centre. All applications will be reviewed by the ECDC. The ECDC will forward a recommendation to the Village Board, who will then determine whether the Retail Business Grant should be approved. A separate request for a building permit, an electrical permit and/or other permits and licenses shall be submitted to the Building Division.
11. **Evaluation.** The ECDC will review all applications on an as-needed basis. Proposals shall be evaluated on their viability, their contributions to the Eligible TIF Districts' retail mix, their support to the Village tax base and their completeness and eligibility. An applicant may be required to submit a personal financial statement. A successful business plan will be the one that conveys the most promising combination of financial feasibility, product and market knowledge, growth potential, job creation and financial need.
12. **Appeals.** If the application is rejected by the ECDC, the applicant may resubmit the application after addressing the application deficiencies, or appeal the decision. If the applicant chooses to appeal the decision, a letter of appeal and supporting documentation must be sent to the Director of Community Development within ten (10) days of the rejection, with said letter stating the reason for the appeal. The letter of appeal and supporting documents will then be forwarded to the Village Board. The Village Board will address the appeal at a Village Board meeting and make a final determination relative to the application. The denial of the appeal by the Village Board shall not preclude an applicant from submitting a new application for the Program. The Village Board has the right to amend or waive Program terms and conditions to accommodate special circumstances.
13. **Payments and Reimbursement.** Grants shall be paid out as follows:
 - A. Retail Businesses and service businesses with a substantial retail component, shall only be eligible to receive a maximum of fifty percent (50%) of the approved Retail Business Grant amount upfront (maximum of ten thousand and no/100 dollars (\$10,000)), after the improvements have been completed and all final inspections have been completed and a Final Certificate of Occupancy has been issued. Retail businesses who receive Retail Business Grant dollars upfront shall be subject to a lien on their property in an amount equal to their proportionate share of capital costs paid upfront by the Village. The remaining fifty percent (50%) of any Retail Business Grant (maximum of ten thousand and no/100 dollars (\$10,000)) shall be reimbursed to the business over a five (5) year period starting from the time the improvements have been completed, all final inspections have been completed and a Final Certificate of Occupancy has been issued. For every full year the business is in operation, twenty percent (20%) of the remaining amount of the Retail Business Grant shall be paid to that business. In the event the business were to close within the five (5) years, the Village shall have not obligation to payout any remaining portion of the Retail Business Grant. *For example, if a Retail Business Grant were approved for a new retail business in an amount of \$20,000, the businesses owner could get the first \$10,000 upon issuance of the Final Certificate of Occupancy. The remaining \$10,000 would be provided over a 5 year period (\$2000/year) for every full year the business is in operation.*

- B. All restaurants shall be eligible to receive the maximum grant amount of twenty thousand and no/100 dollars (\$20,000) upfront after the improvements have been completed and all final inspections have been completed.
14. **Property Lien.** All businesses and properties, except restaurants, who receive upfront Retail Business Grant money shall be subject to a lien to be recorded against title to the property, with the property owners written consent, to cover the pro rata share of capital costs paid upfront. One-fifth (1/5) of the lien shall be forgiven for each full year that the business operates at the project location. Release of the lien will be recorded by the Village five (5) years after the recording of the lien, or earlier if repayment of the upfront Retail Business Grant amount (or applicable portion thereof) is made to the Village. In the event that a business receiving an upfront Retail Business Grant were to close within the time period that the lien is in effect, the property owner shall have a maximum of ten (10) years from the time the upfront Retail Business Grant amount was paid or until December 31, 2023, whichever occurs first, or immediately upon the sale or transfer of the property, to repay the Village any remaining balance of the lien. If the space is legally occupied with a new tenant (retail or service), each remaining year(s) left on the lien shall be forgiven for each full year that the new business(es) remain open. In the event that after the ten (10) years or on December 31, 2023, whichever occurs first, the property owner was unable to successfully lease the space to a new tenant(s) for not less than a combined five (5) years, the balance of the Retail Business Grant shall be paid to the Village.
15. **Business Plan.** Business plans should not exceed sixteen (16) double-spaced pages including exhibits. All business plans shall be reviewed by the College of DuPage Small Business Development Center (SBDC) prior to submitting same to the Village. The SBDC review requirement may be waived by the Director of Community Development. The business plan should include as many of the following as possible:
- A. Description of your business and industry
 - 1. Your business
 - 2. The industry and its history
 - B. Features and advantages of your product
 - 1. Description
 - 2. Competitive advantage
 - 3. Proprietary position
 - 4. Future potential
 - C. Market research and analysis
 - 1. Definition of your customers and markets
 - 2. Market size and trends
 - 3. Competition
 - D. Estimated market share and sales
 - 1. Market plan
 - 2. Market strategy
 - 3. Pricing
 - 4. Sales tactics
 - 5. Service and warranty policies

- 6. Advertising, public relations and promotions
- E. Design and development plans
 - 1. Development status and tasks
 - 2. Difficulties and risks
 - 3. Costs
- F. Operation plans
 - 1. Business location
 - 2. Facilities and improvements
 - 3. Strategy and plans
 - 4. Labor force
- G. Management Team
 - 1. Key management personnel (credentials/resume)
 - 2. Management assistance and training needs
- H. Overall Schedule
 - 1. Timing of critical activities before opening (e.g. company incorporation, signed lease, suppliers ordered, employees hired, opening date)
 - 2. Timing of critical activities after opening, (e.g. expansion, product/service extension)
- I. Critical risks and problems (how will you respond?)
 - 1. Price cutting by competitors
 - 2. Unfavorable industry-wide trends
 - 3. Operating cost overestimates
 - 4. Low sales
 - 5. Difficulties obtaining inventory or supplies
 - 6. Difficulty in obtaining credit
 - 7. Lack of trained labor
- J. Financial Plan
 - 1. Profit and loss forecasts for 3 years (first year monthly)
 - 2. Cash flow projections for 3 years
 - 3. Performance balance sheet at start-up, semi-annually in the first year and at the end of 3 years

16. **Procedural Requirements.** Participants in the Program must accomplish the following steps:

- A. Applicants for the Program should contact the Department of Community Development or Lombard Town Centre for applications. Applications may be obtained from and submitted to either:

Dept. of Community Development
 225 E. Wilson Avenue
 Lombard, IL 60148
 630.620.5749

Lombard Town Centre
 102 W. St. Charles Rd., Ste 2
 Lombard, IL 60148
 630.620.8063

- B. Candidates shall submit the following documents
1. Application form;
 2. Preliminary plans and preliminary cost estimates;
 3. Business plan;
 4. Details of signage and/or awning design; and
 5. Proof of ownership, lease, and/or owners approval.
- C. The Community Development Department shall review the completed applications to ensure all required items have been submitted prior to scheduling the item for review by the ECDC. Incomplete applications will not be processed until all items have submitted. The Director of Community Development may waive certain items if deemed necessary.
- D. After review by the Economic and Community Development Committee, and approval of the Retail Business Grant by either the Economic and Community Development Committee or the Village Board, depending upon the amount of the Retail Business Grant , a “Certificate of Eligibility” will be forwarded to the owner/applicant.
- E. Upon receipt of the “Certificate of Eligibility”, the owner and/or applicant shall proceed as follows:
1. Submit final plans and cost estimates to the Department of Community Development and apply for proper building permits.
 2. Submit three (3) contractor bids for the work outlined in the application. Also, indicate the preferred contractor.
 3. Submit a fully executed Grant Agreement.
- F. Upon receipt of the items set forth above, a “Notice to Proceed” shall be forwarded to the owner/applicant by a representative of the Department of Community Development.
- G. Upon issuance of the Notice to Proceed, improvements and renovations may start after the required building permits have been issued. All necessary inspections should be coordinated through the Village’s Building Division.
- H. Prior to the issuance of any Retail Business Grant funds, the applicant must submit to the Village a completed Illinois sales tax release form.
- I. No Retail Business Grant funds shall be disbursed unless all Project-related activities are undertaken in compliance with all applicable provisions of both the Program Policy and Village Code and until the Village receives an affidavit from the Retail Business Grant recipient containing his or her sworn statement that he or she has paid the approved cost of the Project. Original paid receipts must be attached to the affidavit. Upon receipt of the approved affidavit and receipts, the Village will release Grant funds in accordance with the Program, subject to proper documentation.

- J. Upon completion of the project and after all final inspection from the Building Division have passed, the building will be inspected by a representative of the Community Development Department for conformance with the application.
- K. All eligible expenditures will be matched by the Village of Lombard at fifty percent (50%) of costs as designated by an appropriate receipt or invoice. Overall costs may be submitted up to forty thousand and no/100 dollars (\$40,000) within twelve months after registering the business with the Village of Lombard or applicant approval of the Program if the business is already registered.
- L. All businesses must submit applications and complete review by the ECDC prior to the opening of the business in the Eligible TIF Districts. Once a Certificate of Occupancy has been issued for a business, the business is no longer eligible to apply to the Program unless the application is for an expansion meeting the Program criteria. A new or expanding business either must open for business or have expanded their business within nine months from the date of grant approval, or all grant funds shall be forfeited.
- M. Capital costs associated with eligible expenditures made to a tenant space, prior to an eligible business and/or property owner making a formal Retail Business Grant request relative to said tenant space, may be included in the formal Retail Business Grant request, provided:
 - 1. The expenditures were made within the eighteen (18) month period immediately preceding the formal Retail Business Grant request; and
 - 2. Prior to proceeding with said expenditures, the applicant for the Retail Business Grant advised the Village staff of said proposed expenditures, and received the approval of the ECDC and the Village Board relative to said expenditures being eligible expenditures if a formal Retail Business Grant request were to be filed and approved, and Retail Business Grant funds are still available.

For further information contact:

**Village of Lombard
Community Development Department
255 E. Wilson Ave., Lombard, IL 60148
(630) 620-5749**

or

**Lombard Town Centre
102 W. St. Charles Rd., Ste 2, Lombard, IL 60148
(630) 620-8063**

**AGREEMENT CONCERNING PARTICIPATING IN THE
DOWNTOWN RETAIL BUSINESS PROGRAM**

This Agreement, entered into this _____ day of _____, 2012, by and between the Village of Lombard, Illinois, (the "Village"), Ken Moy (hereinafter referred to as "Property Owner") and Jennifer Shannon and Paul Elliot (hereinafter referred to collectively as "Business Owner"), doing business as a retail business at 11 S. Park Avenue, Lombard, Illinois (said business location being legally described on Exhibit "B" attached hereto and made part hereof – hereinafter referred to as the "Subject Property"), with personal property being secured at 11 S Park Avenue, Lombard, Illinois.

WITNESSETH

WHEREAS, the Village, pursuant to Sections 36.70 through 36.74 of the Lombard Village Code, has established a Downtown Retail Business Grant Program (hereinafter referred to as the "Program") and, as such, will provide monetary grants to qualified business owners and property owners in the Eligible TIF Districts (as said term is defined in Section 36.71 of the Lombard Village Code) for the start-up of new businesses or the expansion of existing businesses in the Downtown; and

WHEREAS, this program will compliment and support the Village's plans to maintain a quality Central Business District; and

WHEREAS, certain retail businesses are desirable uses within the Central Business District and contribute to an economically strong Central Business District; a commercial area where the image, appearance, and environment encourage the attraction of shoppers; and

WHEREAS, the Business Owner wishes to participate in this program for a proposed retail business to be located at 11 S Park Avenue, Lombard, Illinois.

NOW, THEREFORE, in consideration of the foregoing, and other good and valuable consideration, the receipt of which is hereby acknowledged by the parties hereto, the parties agree as follows:

SECTION 1: The Village shall grant up to \$20,000 for which Business Owner qualifies pursuant to the Downtown Retail Business Grant Program. Such grant shall be available to Business Owner upon the authorization of the Village's Director of Community Development,

after receipt of satisfactory evidence that the project has been completed and Business Owner has paid all invoices for labor and materials in connection therewith. The maximum amounts of the grant identified in this paragraph are based upon the Business Owner's expending for the projects no less than the estimated costs of \$40,000. In the event that Business Owner's expenditures for the project are less than said estimate, the loan shall be reduced by the same percentage as Business Owner's actual costs are less than the estimate.

SECTION 2: The Business Owner agrees that the project will be performed in accordance with the submitted application and plans attached hereto as Exhibit "A" and incorporated in this agreement.

SECTION 3: The Business Owner will perform the following obligations in connection with the project;

- a. Comply with all regulations and standards of the Village of Lombard Retail Business Grant Program and all applicable building codes.
- b. Take all reasonable action to assure completion of the project within six months from the date of execution of this agreement. Failure to complete the project within six months from the date of execution of this agreement may result in forfeiture of the loan and termination of this agreement.
- c. Allow inspection of the project by authorized employees of the Village to assure compliance with federal, state, and local regulations related to the loan, as well as compliance with applicable building codes.
- d. Maintain and allow access to the financial records that pertain to the project by authorized employees of the Village. At a minimum, all contracts, change orders, bills, invoices, receipts, canceled checks and partial and final waivers of liens shall be kept.
- e. Submit copies of all final waivers of lien, canceled checks, and invoices related to the project to the Department of Community Development.
- f. The Business Owner and Property Owner shall sign an acknowledgement form indicating that they are aware that this project is subject to prevailing wages.

- g. The Business Owner shall complete an Illinois sales tax release form prior to the release of funds.

SECTION 4: The Business Owner and any subsequent owner agrees to maintain the business in accordance with local codes.

SECTION 5: The Village may suspend or terminate this Agreement if the Business Owner fails to comply with any of the terms of this Agreement. In the event of suspension or termination, the Business Owner shall be required to repay any amount of the grant disbursed.

VILLAGE OF LOMBARD



By: Village President



Attest: Village Clerk

Downtown Retail Business Grant Agreement
11 S Park Ave
Page 4 of 11

BUSINESS OWNER

(Lessee)



By:

Address 15 SOUTH PARK.

City, State _____

BUSINESS OWNER

(Lessee)



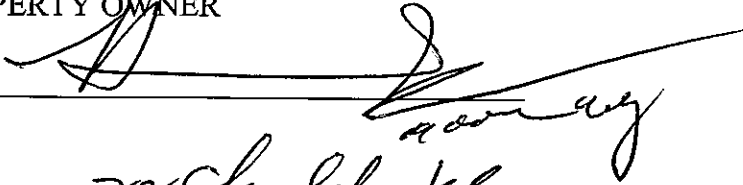
By:

Address _____

City, State _____

Downtown Retail Business Grant Agreement
11 S Park Ave
Page 5 of 11

PROPERTY OWNER


By: _____

Address W. Chandler St


City, State Hinsdale IL 60521

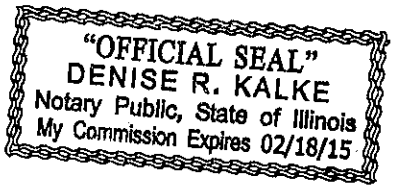
STATE OF ILLINOIS)
)SS
COUNTY OF DUPAGE)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO
HEREBY CERTIFY that William J. Mueller, personally known to me to be the President of the
Village of Lombard, and Brigitte O'Brien, personally known to me to be the Village Clerk of
said municipal corporation, and personally known to me to be the same persons whose names are
subscribed to the foregoing instrument, appeared before me this day in person and severally
acknowledged that as such President and Village Clerk, they signed and delivered the said
instrument and caused the corporate seal of said municipal corporation to be affixed thereto,
pursuant to authority given by the Board of Trustees of said municipal corporation, as their free
and voluntary act, and as the free and voluntary act and deed of said municipal corporation, for
the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 16th February day of 2012.

Commission expires 2/18, 2015.


Notary Public

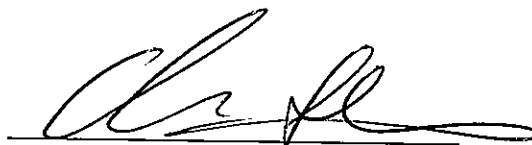


STATE OF ILLINOIS)
)SS
COUNTY OF DUPAGE)

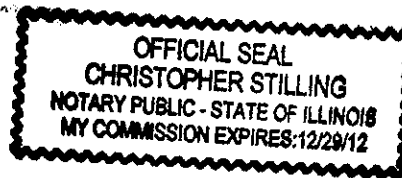
I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO
HEREBY CERTIFY that Jennifer Shannon, personally known to me to be the business owner of
Shannon's Deli, and personally known to me to be the same person whose name is subscribed to
the foregoing instrument, appeared before me this day in person and severally acknowledged that
as such business owner, she signed and delivered the said instrument, as her free and voluntary
act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 29th day of Feb 2012.

Commission expires Dec 29, 2012.



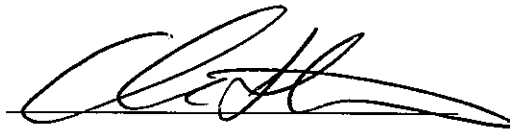
Notary Public



I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Paul Elliot, personally known to me to be the business owner of Shannon's Deli, and personally known to me to be the same person whose name is subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such business owner, she signed and delivered the said instrument, as her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 29th February day of 2012.

Commission expires Dec. 29, 2012.



Notary Public



STATE OF ILLINOIS)
)SS
COUNTY OF DUPAGE)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO
HEREBY CERTIFY that Ken Moy, personally known to me to be the property
owner of 11 S Park Ave. and personally known to me to be the same person whose name is
subscribed to the foregoing instrument, appeared before me this day in person and severally
acknowledged that as such property owner, he signed and delivered the said instrument, as his
free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 1st ^{March} day of 2012.

Commission expires Dec. 29, 2012



Notary Public

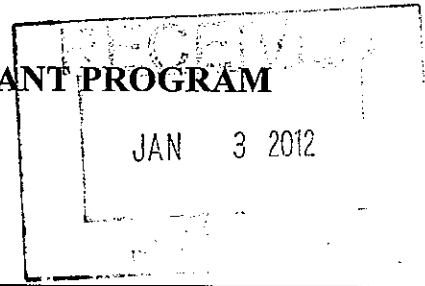


Downtown Retail Business Grant Agreement
11 S Park Ave
Page 10 of 11

EXHIBIT A

Application and Plans

**DOWNTOWN RETAIL BUSINESS GRANT PROGRAM
APPLICATION**



1. A. Building Address: 11 SOUTH PARK
B. Property Identification Number: _____

2. A. Business Owners Name: JENNIFER SHANNON / PAUL ELLIOTT
B. Business Owners Address: 428 N. MAIN STREET
GLENN ELLYN, IL 60137
C. Business Owners Phone (daytime): (630) 790-9080
D. Business Owners Email: SHANNONS IRISH PUB.NET

3. A. Property Owners Name: KEN MOY
B. Property Owners Address: 22 CHARLESTON
HINSDALE IL 60521
C. Property Owners Phone (daytime): ()

3. Lease Terms: 5 YEAR LEASE WITH TWO 3 YEAR OPTIONS

4. Description of Business (use additional paper if necessary):
DELICATESSAN SERVING HOT AND COLD
FOODS WITH SIT DOWN SERVICE.

5. Proposed Improvements associated with the project (use additional paper if necessary):
COMPLETE RENOV OF SPACE WITH NEW KITCHEN,
2 BATHROOMS, CEILINGS, FLOORS AND PLUMBING.
RETAIL SEATING FOR 35-40.

6. Plans/Drawings prepared by:

A. Name: DARYL DRACE ARCHITECT

B. Address: 422 PHILLIPS

GLAN ELLYN, FL 60137

C. Phone (day time): 630-790-2545

D. Estimated Cost of the project: \$ 200,000.00

7. Statement of Understanding.

A. The applicant (undersigned) agrees to comply with the guidelines and procedures of the Downtown Retail Business Grant Program and the specific design recommendations of the Director of Community Development.

B. The applicant must submit detailed cost documentation, copies of building permits, and all contractors waivers of lien upon completion of work.

C. The applicant, owners, and all contractors must comply with all federal and local regulations (see the attached list).

Business Owner Signature [Signature] (Date) 12/17/12

Property Owner Signature [Signature] (Date) 1-27-12

*NOT AS GUARANTOR - only to verify term of lease exists through 3-31-2013
Return application to: NO Lien Rights to Property
Per Village Letter of 1-9-2012*

Village of Lombard
Community Development Department
255 E. Wilson Ave., Lombard, IL 60148
630-620-5746

6. Plans/Drawings prepared by:

A. Name: DARYL DRACE ARCHITECT

B. Address: 422 PHILLIPS

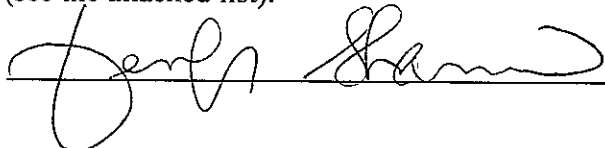
GLENN ELLYN, FL 60137

C. Phone (day time): 630-790-2545

D. Estimated Cost of the project: \$ 200,000.00

7. Statement of Understanding.

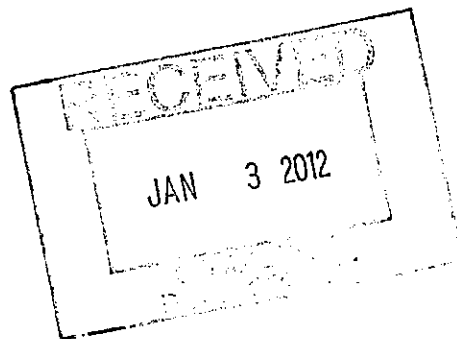
- A. The applicant (undersigned) agrees to comply with the guidelines and procedures of the Downtown Retail Business Grant Program and the specific design recommendations of the Director of Community Development.
- B. The applicant must submit detailed cost documentation, copies of building permits, and all contractors waivers of lien upon completion of work.
- C. The applicant, owners, and all contractors must comply with all federal and local regulations (see the attached list).

Business Owner Signature  (Date) 12/17/11

Property Owner Signature _____ (Date) _____

Return application to:

Village of Lombard
Community Development Department
255 E. Wilson Ave., Lombard, IL 60148
630-620-5746



We presently are operating Shannon's Corner Butcher Shoppe at 15 South Park. Based on our success there and at Shannon's in Glen Ellyn we are very excited to be opening a deli which is a logical fit with the butcher shop. Our plan is to open a deli at 11 South Park to complement the butcher shop. We feel there is little competition in the area for a true delicatessen with approximately 45 seats for lunch and dinner.

By opening the deli, we will be able to offer a large selection of meats, cheeses, take out sandwiches, and prepared foods. We are installing a hood and will be able to feature hot meals, burgers, soups, and fresh baked desserts and breads. Our background at Shannon's Irish Pub will be drawn on to offer an all around menu both hot and cold.

Our intention is to get the delicatessen going by late spring so we can capitalize on the busy summer months. We hope to incorporate a beer and wine license to make the deli a downtown destination.

Our corporation is in place. The deli will be another facet of our business. There will be no additional costs for rent as the present lease includes both 11 and 15 South Park.

Business Plan

Shannon's Deli will open as part of a going concern. Cash flow is already established with the butcher shoppe and the deli will open with no debt. Shannon's Irish Pub provides adequate income for the owners so there is no worry of a cash flow shortage.

The workers for the deli are presently being trained at Shannon's Irish Pub and will have actual "live" experience when the deli opens. Our menu will consist of hot and cold items and will all be fresh made. They are presently being tried and tested at Shannon's Irish Pub.

Because our rent is zero for the additional space, our increased hard costs consist of mostly utilities and insurance. And due to low overhead, we are able to offer the town extremely competitive pricing for our products.

Jennifer Shannon and Paul Elliott have 50 years in the restaurant business between them owning and operating large restaurants, fast food, delis and now a butcher shoppe. Our background makes this a very easy operation to transition into and is a natural fit for our other businesses.

Because we have two existing businesses, knowledge of the new business has been spreading. We are behind in our timing to get open and the entire community is waiting patiently for us to get this much needed project done.

We are presently working on a facade improvement.

Expenditures for the construction of Shannon's Delicatessan

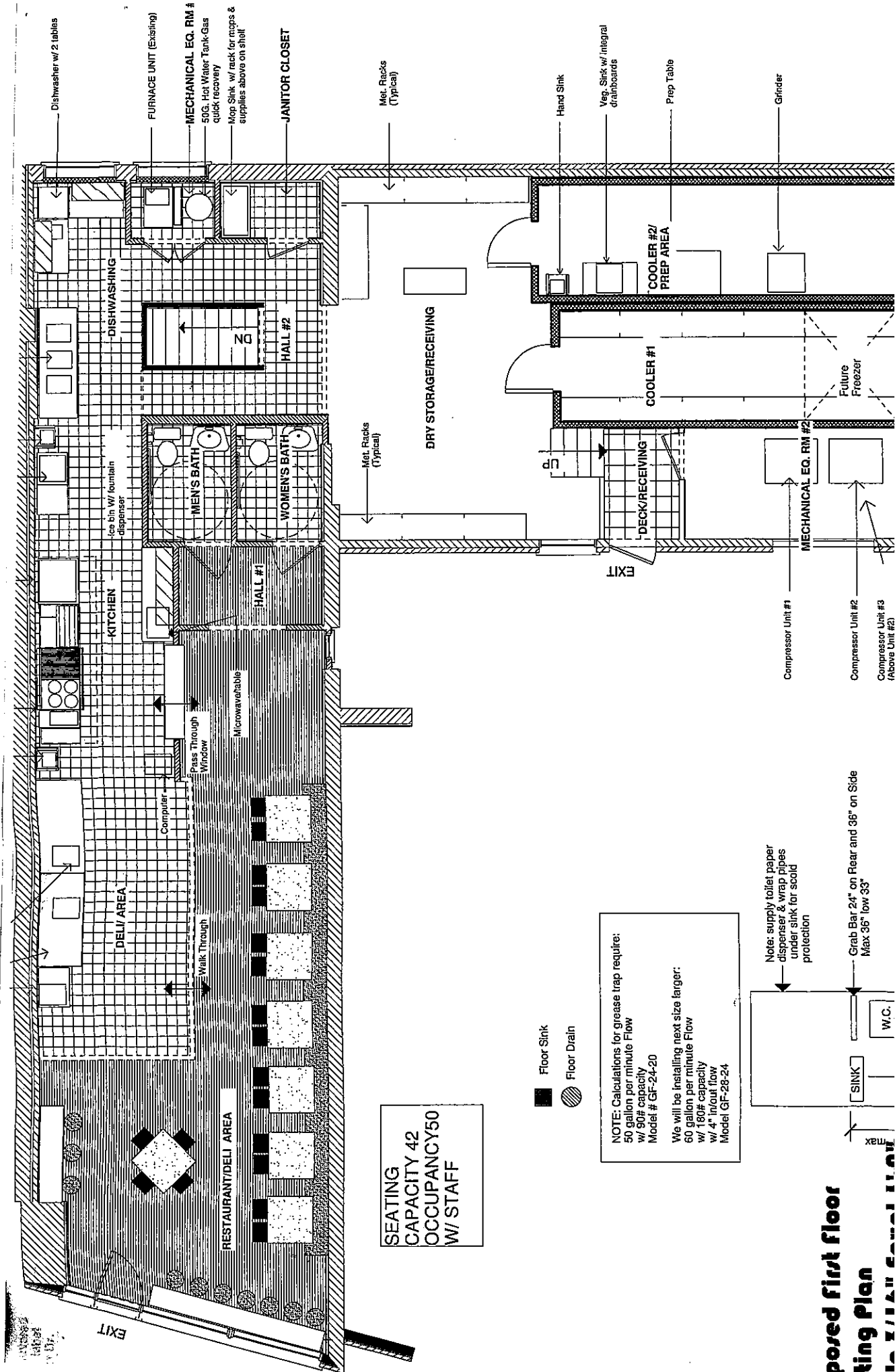
| | |
|-----------------------|-----------------------------------|
| Architect | 8,000 |
| Plumbing | 26,000-includes plumbing fixtures |
| Electrical | 14,000 |
| Heat and air | 1,000 |
| Hood venting | 4,500 |
| Flooring | 9,000 |
| Wall construction | 12,000- includes sheetrock |
| Ceiling tiles | 2,300 |
| Painting | 3,500 |
| Doors | 4,000 |
| Glass replacement | 2,500 |
| Kitchen wall covering | 4,500 |
| Lighting | 4,000 |
| | |
| Total construction | 95,300 |
| | |
| Furnishing | 16,000 |
| Equipment | 93,000 |
| | |
| Total for project | 204,300 |

Estimated 12 month Profit and Loss for Shannon's Delicatessan

| | |
|--------------------|---------|
| Gross Sales | 580,000 |
| Sales tax | 23,200 |
| Net Sales | 556,800 |
| Rent | 0 |
| Food Cost | 234,992 |
| Labor Cost | 145,000 |
| Labor Taxes | 24,650 |
| Bank fees | 10,000 |
| Insurance | 5,400 |
| Workers comp | 5,300 |
| Pest control | 600 |
| Knife Sharpener | 720 |
| Advertising | 5,000 |
| Garbage Collection | 2,400 |
| Paper supplies | 4,600 |
| Donations | 1,000 |
| Telephone | 1,600 |
| Utilities | 14,000 |
| Expenses | 455,262 |
| Gross Income | 101,538 |
| Depreciation | 11,000 |
| Net Income | 90,538 |

It should be noted that our labor and food cost for this are estimated 15 percent higher than the ratios of the past 10 years at Shannon's Irish Pub.

| | Year 2 | Year 3 |
|--------------------|---------|---------|
| Gross Sales | 625,000 | 700,000 |
| Sales tax | 25,000 | 28,000 |
| Net Sales | 600,000 | 672,000 |
| Rent | 0 | 0 |
| Food Cost | 260,750 | 295,445 |
| Labor Cost | 151,000 | 156,000 |
| Labor Taxes | 26,300 | 27,465 |
| Bank fees | 10,800 | 11,400 |
| Insurance | 5,600 | 5,800 |
| Workers comp | 5,400 | 5,500 |
| Pest control | 600 | 660 |
| Knife Sharpener | 720 | 720 |
| Advertising | 5,000 | 5,000 |
| Garbage Collection | 2,400 | 2,450 |
| Paper supplies | 4,700 | 4,800 |
| Donations | 1,200 | 1,200 |
| Telephone | 1,700 | 1,700 |
| Utilities | 15,000 | 15,500 |
| Expenses | 491,170 | 533,460 |
| Gross Income | 108,830 | 138,360 |
| Depreciation | 11,000 | 11,000 |
| Net Income | 97,830 | 127,360 |

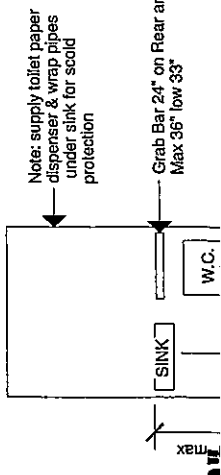


**SEATING CAPACITY 42
OCCUPANCY 50
W/ STAFF**

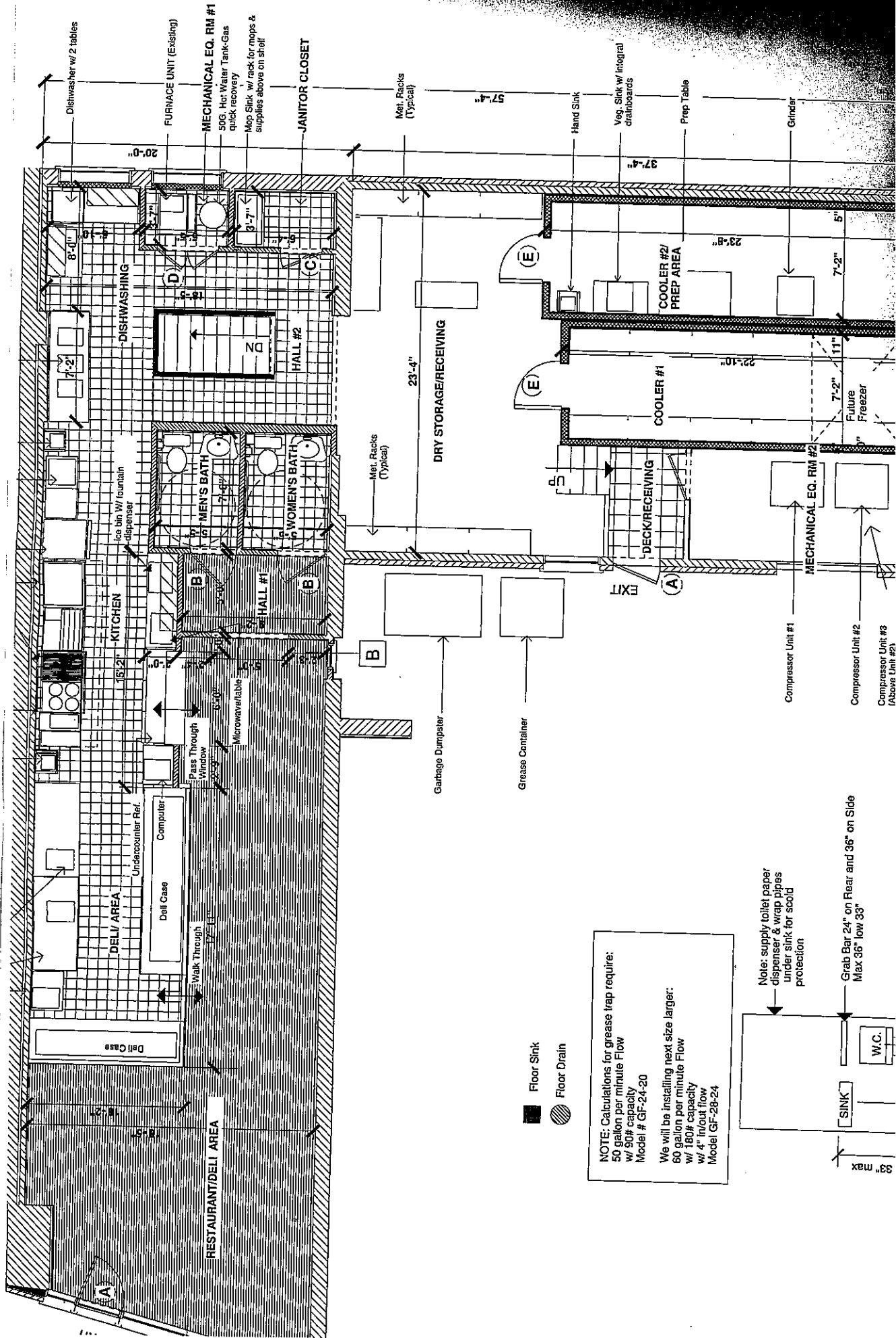
- Floor Sink
- Floor Drain

NOTE: Calculations for grease trap require:
50 gallon per minute Flow
w/ 80# capacity
Model # GF-24-20

We will be installing next size larger:
60 gallon per minute Flow
w/ 180# capacity
w/ 4" in/out flow
Model GF-28-24



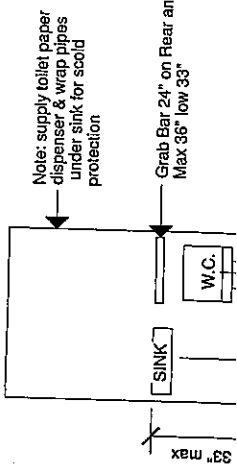
**Proposed first floor
Floor Plan**



- Floor Sink
- Floor Drain

NOTE: Calculations for grease trap require:
 50 gallon per minute Flow
 w/ 80# capacity
 Model # GF-24-20

We will be installing next size larger:
 60 gallon per minute Flow
 w/ 180# capacity
 w/ 4" in/out flow
 Model GF-28-24



Note: supply toilet paper dispenser & wrap pipes under sink for scold protection

Grab Bar 24" on Rear and 36" on Side
 Max. 36" low 33"

Downtown Retail Business Grant Agreement
11 S Park Ave
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EXHIBIT B

Legal Description of Subject Property

The North 30 feet of the South 58.8 feet of Lot 1 in Owner's Subdivision of Block 18 of the Original Town of Lombard, being a subdivision of the northeast quarter of Section 7, Township 39 North, Range 11, East of the Third Principal Meridian in DuPage County, Illinois.

P.I.N.: 06-07-210-003

COMMON ADDRESS: 11 S. Park Avenue, Lombard, Illinois.