

**VILLAGE OF LOMBARD**  
**REQUEST FOR BOARD OF TRUSTEES ACTION**  
For Inclusion on Board Agenda

X  Resolution or Ordinance (Blue)      \_\_\_\_\_ Waiver of First Requested  
\_\_\_\_\_ Recommendations of Boards, Commissions & Committees (Green)  
\_\_\_\_\_ Other Business (Pink)

**TO :** PRESIDENT AND BOARD OF TRUSTEES

**FROM:** Scott Niehaus, Village Manager

**DATE :** July 17, 2018                      **(BOT) Date:** July 19, 2018

**SUBJECT:** Downtown Restaurant Forgivable Loan; 101 W. St. Charles Road  
(Babcock's Grove House) – Time Extension

**SUBMITTED BY:** William J. Heniff, AICP, Director of Community Development *WH*

**BACKGROUND/POLICY IMPLICATIONS:**

The Board of Trustees approved Resolution 47-17 on July 20, 2017 which granted approval of a Downtown Restaurant Forgivable Loan. Per the provisions of the Resolution work was to be completed within one (1) year.

After being advised that the approved grant would expire prior to their slated construction start, the applicant has submitted the attached letter requesting an extension of the grant granted by the Village Board.

Staff recommends that the Village Board approve a Resolution extending the time period to finish construction of the project for an additional three-month period (i.e., until October 20, 2018). Please put this on the July 19, 2018 Board of Trustees agenda.

**Fiscal Impact/Funding Source:**

Review (as necessary):  
Finance Director \_\_\_\_\_ Date \_\_\_\_\_  
Village Manager \_\_\_\_\_ Date \_\_\_\_\_

**NOTE:** All materials must be submitted to and approved by the Village Manager's Office by 12:00 noon, Wednesday, prior to the agenda distribution.



## MEMORANDUM

**TO:** Scott R. Niehaus, Village Manager

**FROM:** William J. Heniff, AICP, Director of Community Development *WJH*

**DATE:** July 19, 2018

**SUBJECT: Downtown Restaurant Forgivable Loan; 101 W. St. Charles Road (Babcock's Grove House) – Time Extension**

The Board of Trustees approved Resolution 47-17 on July 20, 2017 which granted approval of a Downtown Restaurant Forgivable Loan. Per the provisions of the Resolution work was to be completed within one (1) year.

After being advised that the approved grant would expire prior to their slated construction start, the applicant has submitted the attached letter requesting an extension of the grant granted by the Village Board.

A copy of Resolution 47-17 is attached for your reference.

### **ACTION REQUESTED**

Staff recommends that the Village Board approve a Resolution extending the time period to finish construction of the project for an additional three-month period (i.e., until October 20, 2018).



**RESOLUTION**  
**R \_\_\_\_\_**

**A RESOLUTION APPROVING A TIME EXTENSION TO A DOWNTOWN RESTAURANT FORGIVABLE LOAN FOR THE PROPERTY COMMONLY KNOWN AS 101 W. ST. CHARLES ROAD**

WHEREAS, on July 20, 2017, the President and Board of Trustees of the Village of Lombard adopted Resolution 47-17 authorizing a Downtown Restaurant Forgivable Loan for the building located at 101 W. St. Charles Road, (hereinafter the “Subject Property”); and

WHEREAS, Condition Section 2b of Resolution 47-17 states that:

- b. Work must be completed within one (1) year from the date of approval of this Resolution by the Village Board of Trustees.

WHEREAS, while the owner has been under construction for the building improvements associated with the Subject Property, the project has not been completed to date and no Certificate of Occupancy has been issued for the Subject Property; and

WHEREAS, the Village has received a letter requesting a time extension associated with Resolution 47-17 as it relates to the aforementioned condition number 2b; and,

WHEREAS, the President and Board of Trustees have determined that it is in the best interests of the Village of Lombard to grant said time extension.

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, as follows:

**SECTION 1:** Condition number 2b of Resolution 47-17 is hereby amended and extended and shall read as follows:

- b. Work must be completed by October 20, 2018. Failure to complete the Project by October 20, 2018 shall result in forfeiture of the Grant.

**SECTION 2:** That all other provisions associated with Resolution 47-17 shall remain in full force and effect.

**SECTION 3:** This Ordinance is limited and restricted to the property generally located at 101 W. St. Charles Road, Lombard, Illinois and legally described as follows:

LOT 2 IN ZITT’S RESUBDIVISION, BEING A RESUBDIVISION OF PART OF LOT 1 IN BLOCK 19 IN THE TOWN OF LOMBARD, BEING SUBDIVISION IN SECTIONS 5, 6, 7 8 AND 18, TOWNSHIP 39 NORTH,

Resolution No. \_\_\_\_\_  
101 W. St. Charles Road

RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 18, 1991 AS DOCUMENT R91-153504, IN DUPAGE COUNTY, ILLINOIS.

PIN 06-07-209-017

**SECTION 4:** That the Owner agrees that the Agreement may be duly recorded against the subject Property, to serve as notice upon future purchasers, assigns, estate representatives, mortgages, and all other interested persons of the conditions outlined in the Agreement.

**SECTION 5:** The Village may terminate the Agreement if the Applicant or Owner, or any subsequent business or property owner, fails to comply with any of the terms of the Agreement. In the event of termination, the Owner shall be required to repay any amount of the Grant disbursed.

Adopted this \_\_\_\_\_ day of \_\_\_\_\_, 2018, pursuant to a roll call vote as follows:

Ayes: \_\_\_\_\_

Nayes: \_\_\_\_\_

Absent: \_\_\_\_\_

Approved by me this \_\_\_\_\_ day of \_\_\_\_\_, 2018.

\_\_\_\_\_  
Keith T. Giagnorio  
Village President

ATTEST:

\_\_\_\_\_  
Sharon Kuderna  
Village Clerk

**RESOLUTION**  
**R 47-17**

**A RESOLUTION APPROVING A DOWNTOWN RESTAURANT FORGIVABLE LOAN  
FOR THE PROPERTY COMMONLY KNOWN AS  
101 W. ST. CHARLES ROAD**

WHEREAS, the Village of Lombard (the "Village") disburses funds for the Downtown Restaurant Forgivable Loan Program (the "Program") under the authority of the Village Board of Trustees, and will provide monetary grants to qualified property owners in the Lombard Downtown Tax Increment Financing (TIF) District to enhance and improve buildings and parking areas; and,

WHEREAS, Topaz RG, LLC owned by Stephen J. and Dana Moreau (the "Applicant"), desires to participate in this Program for interior renovations to the building (the "Project") located at 101 W. St. Charles Road, Lombard, Illinois (the "Subject Property") and,

WHEREAS, the legal owner of record of 101 W. St. Charles Road, Lombard, Illinois is Thomas J. Smith (the "Owner"); and,

WHEREAS, the Applicant is a tenant of 101 W. St. Charles Road, Lombard, Illinois; and,

WHEREAS, the Project shall consist of those renovations to the interior of the building on the Subject Property as set forth on Exhibit "A" attached hereto and made part hereof; and,

WHEREAS, the Project will complement and support the Village's plans to maintain a quality Central Business District;

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF LOMBARD, DUPAGE COUNTY, ILLINOIS, as follows:

**SECTION 1:** That the Village shall provide the Applicant with a grant of up to twenty-four thousand five hundred fifty-five and 15/100 dollars (\$24,555.15), pursuant to the Program (the "Grant"). Such monies shall be available to the Applicant upon the authorization of the Village's Director of Community Development, after receipt of satisfactory evidence that the Project components have been completed, and that the Applicant has paid all invoices for labor and materials in connection therewith.

**SECTION 2:** The Applicant, as well as any subsequent business or property owner, will perform the following obligations in connection with the Project:

- a. Permits must be applied for and received for all of the work.
- b. Work must be complete within one (1) year from the date of approval of this Resolution by the Village Board of Trustees.
- c. Before the Grant can be paid out, the Applicant shall submit a final receipt to the Village (showing the Project has been paid in full), along with waivers of lien from the contractors working on the Project.



**SECTION 3:** The Applicant, and any subsequent business or property owner, shall be required to maintain the subject Property in accordance with all Village codes and ordinances, and obtain any and all necessary licenses and permits required relative thereto.

**SECTION 4:** That the Program Agreement, relative to the Project, attached hereto as Exhibit "B" and made part hereof is hereby approved (the "Agreement")

**SECTION 5:** That the Owner agrees that the Agreement may be duly recorded against the subject Property, to serve as notice upon future purchasers, assigns, estate representatives, mortgages, and all other interested persons of the conditions outlined in the Agreement.

**SECTION 6:** The Village may terminate the Agreement if the Applicant or Owner, or any subsequent business or property owner, fails to comply with any of the terms of the Agreement. In the event of termination, the Owner shall be required to repay any amount of the Grant disbursed.

**SECTION 7:** That the Village President and Village Clerk are hereby authorized and directed to sign, on behalf of the Village of Lombard, the Agreement attached hereto as Exhibit "B".

Adopted this 20<sup>th</sup> day of July, 2017.

Ayes: Trustee Whittington, Fugiel, Foltyniewicz, Johnston, Pike and Ware

Nays: None

Absent: None

Approved this 20<sup>th</sup> day of July, 2017.



**Keith T. Giagnorio**  
**Village President**

ATTEST:



**Sharon Kuderna**  
**Village Clerk**

**EXHIBIT A**  
**Legal Description**

LOT 2 IN ZITT'S RESUBDIVISION, BEING A RESUBDIVISION OF PART OF LOT 1 IN BLOCK 19 IN THE TOWN OF LOMBARD, BEING SUBDIVISION IN SECTIONS 5, 6, 7 8 AND 18, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 18, 1991 AS DOCUMENT R91-153504, IN DUPAGE COUNTY, ILLINOIS.

PIN 06-07-209-017

## EXHIBIT B

### DOWNTOWN RESTAURANT FORGIVABLE LOAN PROGRAM AGREEMENT

This Downtown Restaurant Forgivable Loan Program (hereinafter referred to as the “Agreement”) Agreement is entered into this 20<sup>th</sup> day of July, 2017, by and between the Village of Lombard, Illinois, (hereinafter referred to as the “Village”), Topaz RG, LLC owned by Stephen J. and Dana Moreau (hereinafter referred to as “Applicant”), and Thomas J. Smith (hereinafter referred to as “Owner”), doing business at 101 W. St. Charles Road, Lombard, Illinois (said location being legally described on Exhibit “1” attached hereto and made part hereof – hereinafter referred to as the “Subject Property”), with personal property being secured at 101 W. St. Charles Road, Lombard, Illinois. The Village, the Owner and the Applicant are sometimes referred to herein collectively as the “Parties.”

#### WITNESSETH

**WHEREAS**, the Village, pursuant to Sections 36.50 through 36.55 of the Lombard Village Code, has established a Downtown Restaurant Forgivable Loan Program (hereinafter referred to as the “Program”) and, as such, will provide grants to qualified business owners and property owners in the Eligible TIF Districts (as said term is defined in Section 36.51 of the Lombard Village Code) for interior renovations; and

**WHEREAS**, the Program compliments and supports the Village's plans to maintain a quality Central Business District; and

**WHEREAS**, interior renovations are desirable 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 Applicant desires to participate in the Program, for proposed interior renovations at the Subject Property; (Program Application No.: 17-01); with said interior renovations being more specifically described in Exhibit “2” attached hereto and made part hereof (hereinafter referred to as the “Project”);

**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 provide the Applicant with a grant under the Program in an amount not to exceed twenty-four thousand five hundred fifty-five and 15/100 dollars (\$24,555.15) (hereinafter referred to as the “Grant”). Such Grant shall be available to the Applicant, upon the authorization of the Village's Director of Community Development, after the Applicant has constructed the Project, complied with the provisions of this Agreement and Sections 36.50 through 36.55 of the Lombard Village Code, and has paid for the Project. The maximum amount of the Grant, as set forth above, is based upon the Applicant expending no less than seventy-one thousand one hundred sixty-five and 44/100 dollars (\$71,165.44) in relation to the Project. In the event that the Applicant's expenditures for the Project are less, the Grant shall



be reduced such that the maximum amount of the Grant shall not exceed one-third (1/3) of the amount expended by the Applicant in relation to the Project.

**SECTION 2:** The Applicant shall undertake the following in connection with the Project:

- a. Permits must be applied for and received for all of the work.
- b. Work must be complete within one (1) year from the date of approval of the Resolution authorizing this Agreement, by the Village Board of Trustees.
- c. Before the Grant can be paid out, the Applicant shall submit a final receipt to the Village (showing the Project has been paid in full), along with waivers of lien from the contractors working on the Project.

**SECTION 3:** Upon completion of the Project, the Applicant shall maintain the Subject Property and the business located thereon, in accordance with all applicable federal, state and local laws, rules and regulations.

**SECTION 4:** The Owner hereby consents to the recording of this Agreement to serve as notice to future purchasers, assigns, estate representatives, mortgagees, and all other interested persons of the conditions outlined in this Agreement.

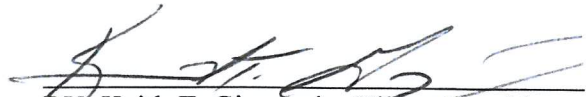
**SECTION 5:** The Owner hereby agrees to be bound by the lien conditions set forth in Section 36.55 of the Lombard Village Code, which are incorporated herein by reference as if set forth in full herein, including, but not limited to, the condition that, upon disbursement of the Grant funds by the Village, no business, other than a restaurant, may operate at the subject Property for a period of ten (10) years from the recording of the lien referenced in said Section 36.55 of the Lombard Village Code, without the consent of the Village.

**SECTION 6:** In the event the Village terminates this Agreement as a result of the Applicant or Owner failing to comply with any of the terms of this Agreement, the Applicant and/or Owner shall be required to repay any amount of the Grant that has been disbursed by the Village. In the event said amount is not repaid within thirty (30) days of the Village's written demand for repayment, interest shall accrue at a rate of two percent (2%) per month on the unpaid amount due until the amount due is paid in full, and the Village shall have the right to record a lien against the Subject Property for said amount, and foreclose upon said lien in the same manner as in regard to a mortgage.

**SECTION 7:** The Applicant and Owner agree not to substantially change the use of the business or interior space for which the Grant was received for a period of not less than ten (10) years from the date the Agreement was executed.

**SECTION 8:** This Agreement shall be binding upon the successors and assigns of the Parties hereto.

VILLAGE OF LOMBARD

  
BY: Keith T. Giagnorio, Village President

  
ATTEST: Sharon Kuderna, Village Clerk

APPLICANT - *See 6B*

\_\_\_\_\_  
Topaz RG, LLC (Member of the LLC Stephen J. Moreau)

APPLICANT

\_\_\_\_\_  
Topaz RG, LLC (Member of the LLC Dana Moreau)

OWNER . *See 6B*

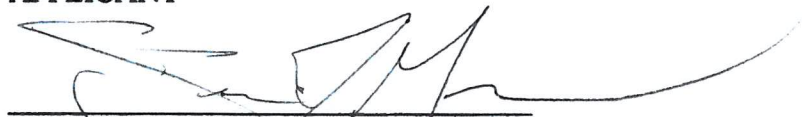
\_\_\_\_\_  
Thomas J. Smith

VILLAGE OF LOMBARD

  
BY: Keith T. Giagnorio, Village President

  
ATTEST: Sharon Kuderna, Village Clerk

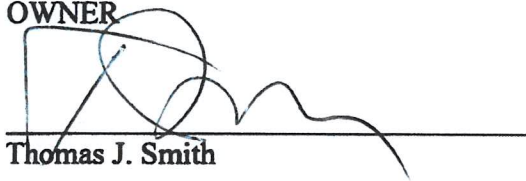
APPLICANT

  
Topaz RG, LLC (Member of the LLC Stephen J. Moreau)

APPLICANT

  
Topaz RG, LLC (Member of the LLC Dana Moreau)

OWNER

  
Thomas J. Smith

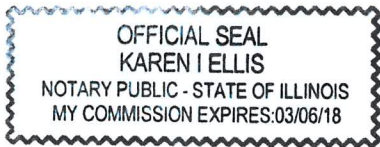


STATE OF ILLINOIS        )  
  )SS  
COUNTY OF DUPAGE        )

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that Keith T. Giagnorio, personally known to me to be the President of the Village of Lombard, and Sharon Kuderna, 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 20th day of July, 2017.

Commission expires March 6, 2018.



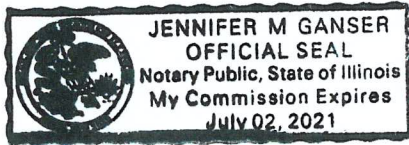
Karen I. Ellis  
Notary Public

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 Stephen and Dana Moreau, personally known to me to be the managers  
of Topaz RG, LLC and the same person whose name is subscribed to the foregoing instrument,  
appeared before me this day in person and severally acknowledged that he/she signed and  
delivered the said instrument, as the free and voluntary act of said limited liability company and  
his/her free and voluntary act, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this 31 day of July, 2017.

Commission expires July 2, 2021.



  
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 Thomas J. Smith, personally known to me to be the owners of the  
subject Property, as referenced in the foregoing Agreement, and the same person whose name is  
subscribed to the foregoing instrument, appeared before me this day in person and severally  
acknowledged that 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 24 day of July, 2017.

Commission expires July 27, 2020.



Austin Gardiner  
Notary Public



**EXHIBIT 1**  
**Legal Description**

LOT 2 IN ZITT'S RESUBDIVISION, BEING A RESUBDIVISION OF PART OF LOT 1 IN BLOCK 19 IN THE TOWN OF LOMBARD, BEING SUBDIVISION IN SECTIONS 5, 6, 7 8 AND 18, TOWNSHIP 39 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, ACCORDING TO THE PLAT THEREOF RECORDED NOVEMBER 18, 1991 AS DOCUMENT R91-153504, IN DUPAGE COUNTY, ILLINOIS.

PIN 06-07-209-017

## **EXHIBIT 2**

The Village of Lombard Community Development Department retains a copy of the complete submittal to the Village. This submittal includes contractor's quotes and a description of the work to be completed as part of the Project. The Applicant proposes to install interior improvements for a restaurant expansion. Such improvements include, but are not limited to, plumbing, framing, electric, HVAC, windows, doors, and a fire alarm.

## Ganser, Jennifer

---

**From:** DANA MOREAU <danamoreau@me.com>  
**Sent:** Monday, July 16, 2018 5:48 PM  
**To:** Ganser, Jennifer  
**Cc:** Heniff, William  
**Subject:** Grant extension

To whom it may concern,

We are requisitioning a 3 month extension on our restaurant forgivable loan issued to the property located at 4 S. Park. While we anticipate finalizing all projects outlined in the grant by end of month, staff recommended this timeframe, just in case.

Please note, our opening timeframe is early September, following the completion of Cruise Nights.

Best,

Dana and Steve Moreau  
Topaz RG, LLC