

**AGREEMENT CONCERNING PARTICIPATING IN THE
DOWNTOWN RESTAURANT FORGIVABLE LOAN**

This Agreement, entered into this _____ day of _____, 20____, by and between the Village of Lombard, Illinois, (the "Village") and _____ doing business as a Restaurant at _____ Lombard, Illinois (the "Business Owner") with personal property being secured at _____.

WHEREAS, the Village is an agent for disbursement of funds for the Downtown Restaurant Forgivable Loan Program under the authority of the Village Board of Trustees by their action of _____; and as such, will provide monetary forgivable loans to qualified business owners and property owners in the Eligible TIF Districts, for the conversion of storefront space into a restaurant.

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

WHEREAS, restaurants 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 **a** proposed restaurant to be located at _____ Lombard, Illinois. Restaurant Forgivable Loan Program Application No.: _____.

NOW, THEREFORE, the parties agree as follows:

1. The Village shall grant up to \$ _____ for which Business Owner qualifies pursuant to the Downtown Restaurant Forgivable Loan Program. Such loan 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 loan identified in this paragraph are based upon the Business Owner's expending for the projects no less than the estimated costs of \$ _____. 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.

2. The Business Owner agrees that the project will be performed in accordance with plans and written estimates approved by the Director of Community Development of the Village of Lombard, and attached hereto as Exhibit A and incorporated in this agreement.
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 Restaurant Forgivable Loan 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.
4. The Business Owner and any subsequent owner agrees to maintain the business in accordance with local codes
5. The Property Owner agrees that this Agreement may be duly recorded against the property located at _____ to serve notice upon future purchasers, assigns, estate representatives, mortgagees, and all other interested persons of the conditions outlined in this Agreement.
6. In exchange for grants in excess of \$10,000, the Business Owner and any subsequent owner agrees to the condition that no business other than a restaurant may operate on the property for which this loan was received for a period of not less than ten (10) years from the date the loan agreement was executed.
7. The Business Owner agrees that a lien may be placed on the subject property as guarantee for the loan. The lien will be removed 10 years from the date that the loan agreement is executed, provided that this condition is met. One-tenth (1/10) of the loan amount is forgiven for each full year after the recording of the lien that a restaurant is operated at the Project location. Anytime a business other than a restaurant operates at

the Project location, the lien becomes permanent (no more amortized “forgiveness”) and the Village will record a document to this effect. In the event that any business other than a restaurant operates at the location of the Project, the balance of the loan must be repaid.

- 8. 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.

BUSINESS OWNER
(Lessee)

VILLAGE OF LOMBARD

By:

By: Village Manager

Address _____

City, State _____

By: Director of Community Development

PROPERTY OWNER

By:

Address _____

City, State _____