

VILLAGE OF TOLONO, ILLINOIS

ORDINANCE NO. 2025-O-20

**AN ORDINANCE APPROVING AND AUTHORIZING
THE EXECUTION OF A TIF REDEVELOPMENT AGREEMENT**

BY AND BETWEEN

THE VILLAGE OF TOLONO

AND

FIV11 MOTORSPORTS, LLC AND ZACH DOUGLAS (107 E. HOLDEN ST.)

TOLONO TAX INCREMENT FINANCING (TIF) DISTRICT

**ADOPTED BY THE PRESIDENT AND VILLAGE BOARD OF TRUSTEES
OF THE VILLAGE OF TOLONO, CHAMPAIGN COUNTY, ILLINOIS,
ON THE 15TH DAY OF JULY, 2025.**

ORDINANCE NO. 2025-O-20
VILLAGE OF TOLONO, ILLINOIS
AN ORDINANCE APPROVING AND AUTHORIZING THE EXECUTION OF
A TIF REDEVELOPMENT AGREEMENT BY AND BETWEEN:
THE VILLAGE OF TOLONO AND
FIV11 MOTORSPORTS, LLC AND ZACH DOUGLAS (107 E HOLDEN ST.)
TOLONO TIF DISTRICT

The Village Board of Trustees of the Village of Tolono, Illinois has determined that this TIF Redevelopment Agreement is in the best interest of the citizens of the Village; therefore, be it ordained by the President and Village Board of the Village of Tolono, Champaign County, Illinois as follows:

SECTION ONE: The TIF Redevelopment Agreement with Fiv11 Motorsports, LLC and Zach Douglas, Developer, (*Exhibit A*) attached hereto is hereby approved.

SECTION TWO: The President is hereby authorized and directed to enter into and execute on behalf of the Village said TIF Redevelopment Agreement and the Village Clerk of the Village of Tolono is hereby authorized and directed to attest such execution.

SECTION THREE: The TIF Redevelopment Agreement shall be effective the date of its approval on the 15th day of July, 2025.

SECTION FOUR: This Ordinance shall be in full force and effect from and after its passage and approval as required by law.

PASSED, APPROVED and ADOPTED by the Corporate Authorities of the Village of Tolono this 15th day of July, 2025 and filed in the office of the Village Clerk of said Village on that date.

PRESIDENT & TRUSTEES	AYE VOTE	NAY VOTE	ABSTAIN / ABSENT
Daniel Grady			
Mark Adair			
Jared Robbins			
Craig Goad			
Vicki Buffo			
Thomas Swigart			
Terrence Stuber, President			
TOTAL VOTES:			

APPROVED: _____, Date ____/ ____ / 2025
Village President

ATTEST: _____, Date: ____/ ____ / 2025
Village Clerk

EXHIBIT A: TIF REDEVELOPMENT AGREEMENT BY AND BETWEEN THE VILLAGE OF TOLONO AND FIV11 MOTORSPORTS, LLC AND ZACH DOUGLAS.

**TAX INCREMENT FINANCING DISTRICT
REDEVELOPMENT AGREEMENT**

by and between

VILLAGE OF TOLONO, CHAMPAIGN COUNTY, ILLINOIS

and

FIV11 MOTORSPORTS, LLC (107 E HOLDEN ST.)

and

ZACH DOUGLAS

TOLONO TAX INCREMENT FINANCING (TIF) DISTRICT

JULY 15, 2025

REDEVELOPMENT AGREEMENT
by and between
VILLAGE OF TOLONO, CHAMPAIGN COUNTY, ILLINOIS
and
FIV11 MOTORSPORTS, LLC AND ZACH DOUGLAS
(107 E HOLDEN ST.)
TOLONO TIF DISTRICT

THIS REDEVELOPMENT AGREEMENT is entered into this 15th day of July, 2025, by and between the Village of Tolono, Champaign County, Illinois (the “Village”), an Illinois Municipal Corporation, and Fiv11 Motorsports, LLC, an Illinois Limited Liability Company and Zach Douglas (collectively the “Developer”).

PREAMBLE

WHEREAS, the Village has the authority to promote the health, safety and welfare of the Village and its citizens, and to prevent the spread of blight and deterioration and inadequate public facilities, including sanitary sewer, by promoting the development of private investment in the marketability of property thereby increasing the tax base of the Village and providing employment for its citizens; and

WHEREAS, pursuant to 65 ILCS 5/8-1-2.5, the Village may appropriate and expend funds for economic development purposes, including without limitation, the making of grants for commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the community; and

WHEREAS, pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4 *et. seq.*, as amended (the “Act”), the Village has the authority to provide incentives to owners or prospective owners of real property to redevelop, rehabilitate and/or upgrade such property by reimbursing the owner for certain redevelopment project costs from resulting increases in real estate tax revenues (“real estate tax increment”) or from other Village revenues; and

WHEREAS, on June 4, 2002, recognizing the need to foster the development, expansion and revitalization of certain properties which are vacant, underutilized or undeveloped, the Village adopted Tax Increment Financing under the Act, approved a Redevelopment Plan and designated a Redevelopment Area for the **Tolono TIF District** (hereinafter referred to as the “TIF District”); and

WHEREAS, one such property is located at 107 E Holden Street, Tolono, Illinois (PIN# 29-26-26-438-003) (the “Property”) which is located within the TIF District; and

WHEREAS, the Developer is proceeding with plans to renovate and rehabilitate the exterior of the commercial building (the “Project”); and

WHEREAS, the Developer is proceeding with the Project and is doing so based on the availability of TIF incentives offered by the Village; and

WHEREAS, it is the intent of the Village to encourage economic development which will increase the real estate tax revenue of the Village, which increased incremental taxes will be used, in part, to finance incentives to assist redevelopment within the TIF District and other contiguous redevelopment project areas; and

WHEREAS, the Developer's proposed Project is consistent with the TIF District Redevelopment Plan and Projects for the Redevelopment Project Area as amended and further conforms to the land uses of the Village as adopted; and

WHEREAS, pursuant to Section 5/11-74.4-4(b) of the Act, the Village may make and enter into all contracts with property owners, developers, tenants, overlapping taxing bodies, and others necessary or incidental to the implementation and furtherance of the Redevelopment Plan; and

WHEREAS, pursuant to Section 5/11-74.4-4(j) of the Act, the Village may incur project redevelopment costs and reimburse developers who incur redevelopment project costs (hereinafter referred to as "TIF Eligible Project Costs" or "redevelopment project costs") authorized by a redevelopment agreement and further defined in Section 5/11-74.4-3(q) of the Act, including those Estimated TIF Eligible Project Costs included in this Redevelopment Agreement; and

WHEREAS, the Developer requested that incentives for the development be provided by the Village from incremental increases in real estate taxes of the Village and the Village agreed to such incentives; and

WHEREAS, the Village has determined that this Project required the incentives requested as set forth herein and that said Project will, as a part of the Redevelopment Plan as amended, promote the health, safety and welfare of the Village and its citizens by attracting private investment to prevent blight and deterioration and to generally enhance the economy of the Village; and

WHEREAS, the Village has reviewed the conditions of the Property and has reason to believe that the costs of the necessary public and private improvements to be incurred by the Developer in furtherance of the Project are eligible project costs under the Act and are consistent with the Redevelopment Plan; and

WHEREAS, the Parties have agreed that the Village shall reimburse the Developer for its renovation costs for the project, up to a total amount not to exceed **Fourteen Thousand One Hundred Eighty Dollars (\$14,180.00)** pursuant to the terms set forth below, from the TIF District Special Tax Allocation Fund for reimbursement of renovation costs, which are TIF Eligible Project Costs under the Act; and

WHEREAS, the Village is entering into this Agreement having encouraged and induced the Developer to proceed with the Project located on said Property.

AGREEMENTS

NOW THEREFORE, the Parties, for good and valuable consideration, the receipt of which is acknowledged, agree as follows:

A. PRELIMINARY STATEMENTS

1. The Parties agree that the matters set forth in the recitals above are true and correct and form a part of this Agreement.
2. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Act, unless indicated to the contrary.
3. The Developer shall remain in compliance with all municipal ordinances relating to property development, property condition, zoning, subdivision and building codes. Failure to cure the violation of any such ordinance within thirty (30) days upon being provided written notice of the same by the Village shall be cause for the Village to declare the Developer in Default and unilaterally terminate this Agreement, except where such failure is not reasonably susceptible to cure within such 30-day period, in which case the Developer shall have such additional time to cure as is reasonably necessary, provided that the Developer has commenced such cure within such 30-day period and continues to diligently prosecute the same to completion.
4. The Developer shall complete the Project within six (6) months from the date of this Agreement.
5. Each of the Parties represents that it has taken all actions necessary to authorize its representatives to execute this Agreement.

B. ADOPTION OF TAX INCREMENT FINANCING

The Village has created a Tax Increment Financing District known as the “Tolono TIF District” which includes the Developer’s Property. The Village has approved certain Redevelopment Project Costs, including the costs for the Developer’s Project.

C. INCENTIVES

In consideration for the Developer completing the Project as set forth herein, the Village agrees to extend to the Developer the following incentives to assist the Developer’s Project:

1. The Village agrees to reimburse the Developer for its TIF eligible project costs incurred for the project related to renovations and repairs to the building, up to a total amount not to exceed **Fourteen Thousand One Hundred Eighty Dollars (\$14,180.00)**. Said reimbursements shall be paid from the Tolono TIF District Special Tax Allocation Fund upon timely completion of the project and receipt by the Village of paid invoices for such renovation costs.
2. The reimbursement set forth in *Section C(1)* above shall be subject to inspection by the Village upon completion of the Project.
3. The Developer agrees to provide any information to the Village upon request by the Village regarding the number of jobs created and/or retained by the Project as may be required by the Act and by the Illinois Comptroller.

D. LIMITATION OF INCENTIVES TO DEVELOPER

1. In no event shall the maximum cumulative reimbursements for the Developer's TIF Eligible Project Costs pursuant to *Section C* above exceed **Fourteen Thousand One Hundred Eighty Dollars (\$14,180.00)** as set forth herein.
2. The Developer agrees to complete the project, subject to Force Majeure, as defined below.

E. VERIFICATION OF TAX INCREMENT

1. It shall be the sole responsibility of the Developer or its designee to provide to the Village, as requested in writing, copies of all PAID real estate tax bills, annually, for the Property.
2. The failure of Developer to provide any information required herein after written notice from the Village, and the continued failure to provide such information within (30) days after such notice, shall be considered a breach of this Agreement.

F. LIMITED OBLIGATION

The Village's obligation hereunder to pay the Developer for Eligible Project Costs is a limited obligation to be paid solely from the Special Account. Said obligation does not now and shall never constitute an indebtedness of the Village within the meaning of any State of Illinois constitutional or statutory provision and shall not constitute or give rise to a pecuniary liability of the Village or a charge or lien against any Village fund or require the Village to utilize its taxing authority to fulfill the terms of this Agreement.

G. LIMITED LIABILITY OF VILLAGE TO OTHERS FOR DEVELOPER'S EXPENSES

There shall be no obligation by the Village to make any payments to any person other than the Developer, nor shall the Village be obligated to make direct payments to any other contractor, subcontractor, mechanic or materialman providing services or materials to the Developer for the Developer's Project.

H. DEFAULT; CURE; REMEDIES

In the event of a default under this Redevelopment Agreement by any party hereto (the "Defaulting Party"), which default is not cured within the cure period provided for below, then the other Party (the "Non-defaulting Party"), may have an action for damages, or, in the event damages would not fairly compensate the Non-defaulting Parties for the Defaulting Party's breach of this Redevelopment Agreement, the Non-defaulting Party shall have such other equity rights and remedies as are available to them at law or in equity. Any damages payable by the Village hereunder shall be limited to the real estate tax increment payable to the Developer under the terms of this Agreement.

In the event a Defaulting Party shall fail to perform a monetary covenant which it is required to perform under this Redevelopment Agreement, it shall not be deemed to be in default under this Redevelopment Agreement unless it shall have failed to perform such monetary covenant within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying that it has failed to perform

such monetary covenant. In the event a Defaulting Party fails to perform any nonmonetary covenant as and when it is required to under this Redevelopment Agreement, it shall not be deemed to be in default if it shall have cured such default within thirty (30) days of its receipt of a notice from a Non-defaulting Party specifying the nature of the default, provided, however, with respect to those nonmonetary defaults which are not capable of being cured within such thirty (30) day period, it shall not be deemed to be in default if it commences curing within such thirty (30) day period, and thereafter diligently and continuously prosecutes the cure of such default until the same has been cured.

I. TIME; FORCE MAJEURE

For this Agreement, time is of the essence. The Developer agrees to complete this Project within six (6) months from the date of execution of this Agreement. Failure to do so shall be cause for the Village to declare the Developer in default and unilaterally terminate this Agreement. However, the Developer and the Village shall not be deemed in default with respect to any obligations of this Agreement on its part to be performed if the Developer or Village fails to timely perform the same and such failure is due in whole, or in part, to any strike, lock-out, labor trouble (whether legal or illegal), civil disorder, inability to procure materials, weather conditions wet soil conditions, failure or interruptions of power, restrictive governmental laws and regulations, condemnation, riots, insurrections, war, fuel shortages, accidents, casualties, Acts of God, or any other cause beyond the reasonable control of Developer or the Village.

J. ASSIGNMENT

The rights and obligations of the Developer under this Agreement shall not be assignable.

K. WAIVER

Any party to this Agreement may elect to waive any remedy it may enjoy hereunder, provided that no such waiver shall be deemed to exist unless the party waiving such right of remedy does so in writing. No such waiver shall obligate such party to waive any right of remedy hereunder or shall be deemed to constitute a waiver of other rights and remedies provided said party pursuant to this Agreement.

L. SEVERABILITY

If any section, subsection, term or provision of this Agreement or the application thereof to any party or circumstance shall, to any extent, be invalid or unenforceable, the remainder of said section, subsection, term or provision of this Agreement or the application of same to parties or circumstances other than those to which it is held invalid or unenforceable, shall not be affected thereby.

M. NOTICES

All notices, demands, requests, consents, approvals or other instruments required or permitted by this Agreement shall be in writing and shall be executed by the party or an officer, agent or attorney of the party, and shall be deemed to have been effective as of the date of actual delivery, if delivered personally, or as of the third (3rd) day from and including the date of posting, if mailed by registered or certified mail, return receipt requested, with postage prepaid addressed as follows:

TO VILLAGE:

Village Clerk, Village of Tolono
507 W. Strong Street
P.O. Box 667
Tolono, IL 61880
Telephone: (217) 485-5212

TO DEVELOPER:

FivMotorsports, LLC
Attn: Zach Douglas
3415 Stoneway Ct.
Champaign, IL 61822
Telephone: (217) 530-1309

With Copy to:

Jacob & Klein, Ltd.
The Economic Development Group, Ltd.
1701 Clearwater Avenue
Bloomington, IL 61704
Telephone: (309) 664-7777
Fax: (309) 664-7878

*With Copy to:***N. SUCCESSORS IN INTEREST**

Subject to the provisions of *Section J*, above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

O. NO JOINT VENTURE, AGENCY, OR PARTNERSHIP CREATED

Neither anything in this Agreement nor any acts of the parties to this Agreement shall be construed by the parties or any third person to create the relationship of a partnership, agency, or joint venture between or among such parties.

P. INDEMNIFICATION OF VILLAGE

The Parties acknowledge that the current position of the Illinois Department of Labor is that the Illinois Prevailing Wage Act is not applicable to TIF incentives that are received by private Developers as reimbursement for private TIF Eligible Project Costs. This position of the Department of Labor, which is currently under review, is available online. If the Prevailing Wage Act is determined by a court of law, or agency with the authority to make such determination, to apply to private TIF projects, the Developer shall indemnify and hold harmless the Village, and all Village elected or appointed officials, officers, employees, agents, representatives, engineers, consultants and attorneys (collectively, the Indemnified Parties), from any and all claims that may be asserted against the Indemnified Parties or one or more of them, in connection with the applicability, determination, and/or payments made under the Illinois Prevailing Wage Act (820 ILCS 130/0.01 *et. seq.*), the Illinois Procurement Code, and/or any similar State or Federal law or regulation. In addition, the Developer agrees to indemnify and hold harmless the Village for any claim asserted against the Village arising from the Developer's Project and/or this Agreement or any challenge to the eligibility of project costs reimbursed to the Developer hereunder. This obligation to indemnify and hold harmless obligates Developer to defend any such claim and/or action, pay any liabilities and/or penalties imposed, and pay all defense costs of Village, including but not limited to the reasonable attorney fees of Village.

Q. ENTIRE AGREEMENT

The terms and conditions set forth in this Agreement supersede all prior oral and written understandings and constitute the entire agreement between the Village and the Developer with respect to the subject matter hereof.

R. AMENDMENTS TO THIS AGREEMENT

The Parties hereto may amend this Agreement at any time by their mutual consent which amendment must be in writing and executed by the Parties.

S. TERM OF THE AGREEMENT

Notwithstanding anything contained herein to the contrary, this Agreement shall expire upon the first to occur of the Developer receiving all incentives included herein or six (6) months from the date of execution of this Agreement. The Agreement shall expire sooner if the Developer files for bankruptcy or otherwise becomes insolvent, the Property becomes the subject of foreclosure proceedings, or upon default by the Developer of this Redevelopment Agreement.

T. OTHER GENERAL PROVISIONS

1. **Titles of Paragraphs:** Titles of the several parts, paragraphs, sections or articles of this Agreement are inserted for convenience of reference only and shall be disregarded in construing or interpreting any provisions hereof.
2. **Warranty of Signatories:** The signatories of Developer warrant full authority to both execute this Agreement and to bind the entity in which they are signing on behalf of.
3. **Counterparts:** This Agreement may be executed in counterparts, which when taken together shall constitute a single signed original as though all Parties had executed the same page.
4. **Choice of Law/Venue:** This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois with venue lying in the Circuit Court of Champaign County, Illinois.

THIS IS INTENDED TO BE A LEGAL DOCUMENT. AN ATTORNEY AT LAW SHOULD BE CONSULTED PRIOR TO THE EXECUTION OF THIS DOCUMENT.

IN WITNESS WHEREOF the Parties hereto have caused this Agreement to be executed by their duly authorized officers on the above date at Tolono, Illinois.

VILLAGE

TOLONO, ILLINOIS, An Illinois
Municipal Corporation

BY: _____
President, Village of Tolono

ATTEST: _____
Village Clerk, Village of Tolono

DEVELOPER

FIV11 MOTORSPORTS, LLC

BY: _____
Zach Douglas, Manager

DATE: _____

AND

ZACH DOUGLAS

BY: _____
Zach Douglas

DATE: _____