1. Call to Order

2. Roll Call

3. Pledge of Allegiance

4. Election of Temporary Chair

5. Public Comment

6. Discussion and approval of Collateral Assignment of Payments agreement in connection with Redevelopment Agreement between the City of Dixon and Jesse Lee Properties, LLC.

7. Adjournment
COLLATERAL ASSIGNMENT
OF PAYMENTS

THIS COLLATERAL ASSIGNMENT OF PAYMENTS (this “Assignment”) is made and entered into as of the 20th day of October, 2023 (the “Effective Date”), by and among Jesse Lee Properties, LLC (“Borrower”), Sauk Valley Bank & Trust, Co. (“Lender”), and acknowledged and consented to by City of Dixon, a municipal corporation existing under the laws of the State of Illinois (the “City”).

Recitals

WHEREAS, Lender has agreed to make a loan to Borrower in the amount of $11,874,000 (the “Loans”) in connection with the Bonnell Development Project located on the real estate commonly known as Lee County Business Park, Lot Five (5) in Lee County Business Park – Phase 2, Dixon, Illinois, and legally described on Exhibit A attached hereto and hereby made a part hereof (the “Project”); and

WHEREAS, the obligations of Borrower under the Loans is evidenced by those certain Promissory Notes of even date herewith (the “Notes”), executed by Borrower and made payable to Lender in the original principal amounts of $9,174,00 and $2,700,00; and

WHEREAS, Borrower and the City have entered into that certain Redevelopment Agreement dated as of June 20th, 2023 (as further amended, modified or restated from time to time, the “Redevelopment Agreement”); and

WHEREAS, subject to the terms of the Redevelopment Agreement, Borrower will be entitled to receive certain payments from the City (the “Payments”) in exchange for developing the Project and the Borrower performing its obligations under the Redevelopment Agreement; and

WHEREAS, Lender has required, as an express condition to making the Loan, that Borrower pledges, transfers and assigns its rights to receive the Payments under the Redevelopment Agreement to Lender to secure the obligations of Borrower under the Note; and

WHEREAS, Lender has further required, as an express condition to making the Loan, that the City acknowledges this Assignment and consents to the terms of this Assignment.

NOW, THEREFORE, in consideration of the recitals set forth above and incorporated herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, Borrower, Lender and the City hereby agrees as follows:

1. The recitals set forth in the preambles to this Assignment are hereby incorporated into this Section 1 as if fully set forth herein.

2. Borrower hereby pledges, transfers and assigns to Lender all of its right, title and interest in and to the Payments payable pursuant to the terms of the Redevelopment Agreement whether now owned or hereafter arising or acquired, together with all renewals, replacements and
substitutions thereof and additions thereto, and the products and proceeds thereof, as security for
the obligations of Borrower under the Note.

3. Borrower hereby represents and warrants that there have been no prior assignments of
the Payments or the Redevelopment Agreement, that the Redevelopment Agreement is a valid
and enforceable agreement, that neither the City nor Borrower are in default thereunder and that
all covenants, conditions and agreements have been performed as required therein, except those
not to be performed until after the date hereof. Borrower agrees not to sell, assign, pledge,
mortgage or otherwise transfer or encumber its interest in the Payments or the Redevelopment
Agreement as long as this Assignment is in effect. Borrower hereby irrevocably constitutes and
appoints Lender as its attorney-in-fact to demand, receive and enforce Borrower’s rights to receive
the Payments under the Redevelopment Agreement for and on behalf of and in the name of
Borrower or, at the option of Lender, in the name of Lender, with the same force and effect as
Borrower could do if this Assignment had not been made. Lender’s right to receive the Payments
pursuant to this Assignment is wholly contingent upon Borrower’s compliance with, and as
applicable, fulfillment of, the terms and conditions of the Redevelopment Agreement. In no case
will Lender’s rights under the Redevelopment Agreement be greater than Borrower’s rights, nor
will Lender be entitled to receive any payments of Payments that Borrower would not be entitled
to, or in excess of the amount that Borrower would be entitled to. To the extent any Payments are
paid to the Lender, Borrower agrees that the City shall have no further liability to Borrower for the
same, and Borrower releases and agrees to indemnify the City from any claims related to or arising
out of the City’s payment of such Payments to the Lender, or to Lender’s agents or assignees, as
described in this Assignment.

4. This Assignment shall constitute a perfected, absolute and present assignment of
the Payments, provided that Lender shall have no right under this Assignment to enforce the
provisions of the Redevelopment Agreement or exercise any rights or remedies under this
Assignment until an Event of Default (as defined in the Note) shall occur and be continuing after
all applicable notice and cure periods.

5. Upon the occurrence of an Event of Default after all applicable notice and cure
periods, without affecting any of Lender’s rights or remedies against Borrower under any other
instrument, Borrower shall be deemed to have irrevocably appointed Lender as Borrower’s
attorney-in-fact to exercise any or all of Borrower’s rights under the Redevelopment Agreement
to collect the Payments and take any and all actions Lender deems necessary or appropriate to
exercise the rights granted to Lender under this Assignment in Borrower’s name or in Lender’s
own name that Borrower could do under the Redevelopment Agreement to obtain and collect the
Payments with the same force and effect as if this Assignment had not been made. In addition,
Lender shall have the right to exercise and enforce any and all rights and remedies available after
a default to a secured party under the Uniform Commercial Code as adopted in the State of Illinois.
If notice to Borrower of any intended disposition of collateral or of any intended action as required
by law in any particular instance, such notice shall be deemed commercially reasonable if given
in writing at least ten (10) days prior to the intended disposition or other action. Borrower hereby
authorizes Lender to deliver a copy of this Assignment to any other party to the Redevelopment
Agreement to verify the rights granted to Lender hereunder. All other parties under the
Redevelopment Agreement are authorized and directed by Borrower to tender performance of its
obligations under the Redevelopment Agreement to Lender upon presentation of a copy of this Assignment.

6. This Assignment shall not be deemed to be an assignment of the Borrower’s obligations under the Redevelopment Agreement, it being the explicit understanding and agreement between the Borrower and Lender, and acknowledged and consented to by the City, that Borrower shall remain bound by the Redevelopment Agreement obligations to the City, and any other parties interested in any matter whatsoever related thereto, for Borrower’s non-performance or default under said Redevelopment Agreement. In connection therewith, Borrower agrees to take all steps necessary to comply with and satisfy the terms of the Redevelopment Agreement and to indemnify and hold the Lender harmless from any judgments, claims, demands, costs and expenses, including reasonable attorney’s fees, in connection with Borrower’s non-performance or default of the Redevelopment Agreement.

7. The City hereby consents and agrees to the terms and conditions of this Assignment. The City further represents and warrants to Lender that the Redevelopment Agreement is a valid agreement enforceable in accordance with its terms, that neither the City nor Borrower are in default under the Redevelopment Agreement as of the Effective Date and that all covenants, conditions and agreements under the Redevelopment Agreement have been performed as required therein, except those not to be performed until after the Effective Date.

8. The City agrees to provide Lender with copies of any notice of default given under the Redevelopment Agreement, and that Lender shall have the right, but not the obligation, to cure such default within the time period set forth in the Redevelopment Agreement for Borrower to cure its default.

9. Borrower hereby authorizes and directs that until such time as all obligations under the Loan have been satisfied and Lender releases this Assignment in writing, the City shall make all Payments payable to the order of Borrower and shall send such payments directly to Lender at the address below as and to the extent such Payments would otherwise have been sent to Borrower under the terms of the Redevelopment Agreement. The City acknowledges this direction and agrees to mail such Payments to Lender at the address set forth below in Section 14 when issued by the City.

10. Borrower shall perform and observe, in timely fashion, each of their covenants, conditions, obligations and agreements under the Redevelopment Agreement in strict accordance with the terms and conditions thereof, and shall take commercially reasonable steps to cause City to do the same with respect to each of City’s covenants, conditions, obligations and agreements thereunder. In addition, Borrower shall not waive, or take any action or execute any agreement that could be interpreted to waive, or in any manner release or discharge City from, any obligation or agreement under or related to the Redevelopment Agreement to be performed or observed by City, or permit any nonperformance thereof, and shall, at its sole cost and expense, enforce and secure the performance of all such obligations and agreements to be performed or observed by City. Borrower shall supply to Lender any and all notices, certifications or other documents received from or sent to the City with respect to the Redevelopment Agreement within five (5) days of Borrower’s receipt or delivery thereof.
11. The parties agree that no change or amendment shall be made to terms of the Redevelopment Agreement, without the prior written consent of Lender, which consent shall not be unreasonably withheld or delayed.

12. This Assignment can be waived, modified, amended, terminated or discharged only explicitly in a writing signed by Lender. A waiver by Lender shall be effective only in the specific instance and for the specific purpose given. Mere delay or failure to act on Lender’s part shall not preclude the exercise or enforcement of any of Lender’s rights or remedies hereunder. All rights and remedies of Lender shall be cumulative and shall be exercised singularly or concurrently, at Lender’s option, and any exercise or enforcement of any one such right or remedy shall neither be a condition to nor bar the exercise or enforcement of any other.

13. No provision of this Assignment shall be deemed or construed to alter, amend or modify, in any way, the rights and obligations of the City contained in the Redevelopment Agreement, except with respect to the provisions regarding payment of the Payments.

14. Any notice, request, demand or other communication hereunder shall be deemed duly given if delivered or postage prepaid, certified or registered, addressed to the party as set forth below:

If to the City:

   City of Dixon
   Attn: City Manager
   121 W. 2nd St.
   Dixon, IL 61021

If to Borrower:

   Jesse Lee Properties, LLC
   Attn: Joe Bonnell, Manager
   1385 Franklin Grove Rd.
   Dixon, IL 61021

If to Lender:

   Sauk Valley Bank & Trust, Co.
   Attn: Chief Lending Officer
   201 W. Third St.
   Sterling, IL 61081

15. Borrower agrees to execute and deliver to Lender any other documents or instruments necessary to satisfy the intent and purposes of this Assignment expressed herein and to perfect the assignment made hereby. In the event Borrower receives any Payments prior to the
satisfaction of Borrower’s obligations under the Loan, Borrower agrees to remit such funds to the Lender within five (5) days of its receipt of said payment from the City.

16. This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois.

17. This Assignment shall be binding upon and inure to the benefit of the successors, assigns, legal and personal representatives, executors, administrators, heirs and other transferees of the parties hereto.

18. This Assignment may be executed in several counterparts, including electronic counterparts (such as facsimile or .pdf or using electronic signature providers, such as DocuSign), each of which shall be deemed to be an original, and all of which together shall constitute one agreement binding on all parties hereto, notwithstanding that all of the parties shall not have signed the same counterpart.

[THE REMAINDER OF THIS PAGE HAS BEEN LEFT INTENTIONALLY BLANK.]
SIGNATURE PAGE TO ASSIGNMENT OF PAYMENTS

IN WITNESS WHEREOF, Borrower has caused this Assignment to be duly executed as of the Effective Date.

BORROWER:

_____________________________________________

By___________________________________________

Its ___________________________________________

[Signature page to Assignment – Borrower]
SIGNATURE PAGE TO ASSIGNMENT OF PAYMENTS

IN WITNESS WHEREOF, Lender has caused this Assignment to be duly executed as of the Effective Date.

LENDER:

_____________________________________________
By___________________________________________
Its _________________________________________

[Signature page to Assignment – Lender]
THIS ASSIGNMENT OF PAYMENTS IS HEREBY ACKNOWLEDGED AND CONSENTED TO BY:

CITY:

(SEAL)

By: ________________________________
Mayor

ATTEST:

By: ________________________________
City Clerk

[Signature page to Assignment – City of Dixon]
EXHIBIT A

Legal Description

Lot Five (5) in Lee County Business Park – Phase 2, a subdivision of the North Half of Section 16, Township 21 North, Range 9 East of the Fourth Principal Meridian, Lee County, Illinois, according to the Plat thereof recorded March 9, 2002, in Block 0203 at page 2755 as Document No. 2002002280 and filed in Plat Book “L” at page 31, all situated in the City of Dixon, County of Lee and State of Illinois.

Tax ID No: 18-08-16-200-020