

**FIRST AMENDMENT AGREEMENT
BETWEEN THE CITY OF PEORIA, MORTON COMMUNITY BANK,
AND WESTLAKE LIMITED PARTNERSHIP
RELATED TO THE
WEST LAKE AVENUE/ROCKWOOD ROAD SPECIAL SERVICE AREA**

THIS FIRST AMENDMENT (this "First Amendment") is made and entered into on, and is effective as of the 31st day of July, 2014, by and between the City of Peoria ("City"), an Illinois home rule municipal corporation; Westlake Limited Partnership, an Illinois limited partnership ("Westlake"); and Morton Community Bank ("MCB"), an Illinois banking corporation,;

WITNESSETH:

WHEREAS, the City and Westlake Limited Partnership, predecessor in interest to Westlake hereunder, entered into an Agreement (the "Westlake SSA Agreement"), dated as of the 21st day of July, 2010, as the result of the establishment of a Special Service Area known as the West Lake Avenue/Rockwood Road Special Service Area (the "SSA") for the purpose of implementing certain payment and operational procedures among the City, Westlake and MCB with respect to the SSA;

WHEREAS, the parties have heretofore been proceeding consistent with the provisions and obligations as set forth in the Westlake SSA Agreement, but now the parties desire to further supplement and modify the terms and arrangements thereunder;

WHEREAS, as a result of Westlake's desire to make additional improvements and provide for the maintenance thereof and/or provide for the maintenance of current improvements within the SSA (collectively the "Additional SSA Special Services"), the parties acknowledge that the provisions of such Westlake SSA Agreement need to be amended as set forth in this First Amendment;

WHEREAS, based upon the above, the City has adopted Ordinance No. 17,111 pursuant to which an additional levy/imposition of tax for, and within, the SSA for those remaining years during which the SSA is to continue (being through to and including the year 2040);

WHEREAS, consistent with the above, the foregoing Ordinance No. 17,111 has imposed an additional municipal sales tax of .75% upon the gross receipts of and from the business of making sales of service or making retail sales of tangible personal property, other than sales of items of tangible personal property titled or registered with an agency of government of the State of Illinois (the "Westlake Supplemental Sales Tax") which sales tax shall be in addition to (but otherwise identical with) such tax as is imposed by the City under Articles II and III of Chapter 27 of the Code or Ordinances of the City;

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R. STEVE SONNEMAKER
PEORIA COUNTY CLERK

WHEREAS, the Westlake Supplemental Sales Tax (and the collections therefrom) are intended to be applied upon and for special services within the SSA as herein more specifically described and set forth;

WHEREAS, MCB is willing to lend funds to Westlake (in addition to the SSA Loan Funds heretofore advanced to Westlake Limited Partnership for the original SSA Improvements) for purposes of in part funding the Additional SSA Special Services, all of which is pursuant to a new Promissory Note (the "Additional Promissory Note") dated July 31, 2014, in the amount of \$2,000,000, together with other loan documents executed by and between Westlake and MCB as a part of the additional loan transaction contemplated by such Additional Promissory Note;

WHEREAS, the annual amounts due to MCB under the previous Promissory Note ("Previous Promissory Note") dated July 23, 2010 (for which payments have been made to MCB from the collections by the City of the SSA tax levies heretofore made), together with the annual amounts due to MCB under the new Additional Promissory Note, shall (at a minimum) hereafter constitute and comprise the new annual tax levy of the SSA (such collective amounts due to MCB under the Previous Promissory Note and the Additional Promissory Note being sometimes hereinafter referred to as the "Collective Debt Service");

WHEREAS, based upon increases in the Equalized Assessed Value ("EAV") subsequent to the year 2010 (when the SSA was originally established) and based upon continued anticipated growth in the EAV within the SSA in the future years, the maximum rate of the SSA tax levy of \$19.60 per \$100 of assessed valuation has been established and shall continue (subject to abatement or reduction as from time to time shall be made by the City pursuant to the terms of this First Amendment) for the purpose of paying to MCB the remaining obligations due under the Previous Promissory Note and the new additional obligations contemplated under the Additional Promissory Note (collectively such obligations being sometimes hereafter referred to as the "Revised SSA Loan Funds");

WHEREAS, Westlake and the City acknowledge that the arrangements contemplated hereby for the payment of the Revised SSA Loan Funds have been an inducement for MCB to make the additional money advances for which the Additional Promissory Note arises and has been executed;

WHEREAS, it is the desire of the parties to establish appropriate regulations and understandings relating to the SSA and the repayment to MCB of the amount of the Revised SSA Loan Funds; and

WHEREAS, the City has authority to set forth the terms and conditions under which tax revenues from the SSA shall be paid and applied as set forth in the Westlake SSA Agreement as modified by this First Amendment;

NOW, THEREFORE, for and in consideration of the mutual covenants herein contained, the sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Additional Uses of Special Service Area Revenue. In addition to those uses of SSA revenue otherwise recognized and permitted under the Westlake SSA Agreement, revenue from the SSA shall also be used in accordance with City Ordinance No. 17,111 for the providing of the Additional SSA Special Services as contemplated by and as set forth in this First Amendment.

2. Revised Repayment to MCB for Original SSA Improvements and Certain Additional SSA Special Services. The Revised Loan Funds heretofore and to be hereafter advanced to Westlake by MCB shall be repaid consistent with the terms of the Previous Promissory Note and the Additional Promissory Note. To provide for the payment of the Collective Debt Service due under the foregoing to MCB, the City has levied (as provided in Ordinance No. 17,111) revised SSA tax as a part of the imposition of general real estate taxes for the properties within the SSA, and the City agrees that it shall proceed with such actions as are reasonably needed on the part of the City to effectuate such levy and to collect the taxes due therefrom as a part of the extension and collection of general real estate taxes due by and from any and all properties owners within the SSA, subject to possible abatement/reduction thereof as set forth herein. The foregoing, however, shall not be construed to create a general obligation of the City or a commitment of the full faith and credit of the City for the repayment of the Revised SSA Loan Funds to MCB; it being intended that the only obligation of the City shall be to (pursuant to authority provided by the law applicable to the SSA) exercise best and good faith efforts to collect the taxes due therefrom and remit same to MCB as provided herein. As previously provided in the Westlake SSA Agreement, to the extent that MCB (for whose benefit the foregoing assurances, tax collection and payments are provided) determines that the City's procedures and efforts in this regard are insufficient or that MCB desires to alternatively pursue such efforts, the City agrees to designate MCB as its agent therefor or to assign and transfer to MCB all of the City's rights and privileges in connection therewith as, and to the extent, permitted under applicable law.

3. Application of Westlake Supplemental Sales Tax. By the provisions of Ordinance No. 17,111, the City has newly imposed the Westlake Supplement Tax as earlier described, in addition to any and all other sales taxes due upon transactions occurring upon properties within the SSA. To the extent that the City collects such Westlake Supplement Sales Taxes, the City shall maintain such collected funds in a separate account (the "Westlake Account") and apply the funds in such account from time to time (after deduction for reasonable expenses of the City in the administration thereof and of the provisions and procedures of the SSA) for and upon the Collection Debt Service; and, consistent therewith, the City shall reduce/abate the real estate levy pursuant to those procedures later described. To the extent that the Westlake Account contains funds in excess of such reasonable City administration expenses plus the annual Collective Debt Service as is due from time to time, such excess shall be paid to Westlake (at the time that the actual levy is determined from year to year as below provided) for application to and upon other payments for costs and expenses as may be incurred from time to time for the making of capital improvements for, and/or maintenance of, the common areas of the Westlake Shopping Center within the SSA. In this respect, and for purposes of confirming that any such

excess funds have been used in compliance with the foregoing, the City shall have the right to audit and review (in such fashion and to such extent as determined by the City in its reasonable discretion) the books and records of Westlake as may pertaining to Westlake's application of funds so received from the City. To the extent that, as a result of such review and audit, it is determined that such funds have not been so applied, Westlake shall return/pay the amount of such funds misapplied to the City which shall deposit and continue to maintain such funds in the Westlake Account (subject to the provisions of this First Amendment and the future analysis and application from time to time of funds in such Westlake Account).

4. Tax Levy Abatement/Adjustment. The parties acknowledge and recognize that the levy and extension of a real estate tax at the maximum rate provided herein for the SSA, when also considering funds expected to be available from the Westlake Account as a result of Westlake Supplement Sales Taxes periodically collected, may produce more collected tax revenue than is needed from time to time to pay the annual Collective Debt Service to MCB. Based upon the foregoing, and based upon the timing as to when payments are due for and upon the Collective Debt Service, the City shall each year, when payments are due upon the Collective Debt Service, pay to MCB from the Westlake Account the lesser of: (a) the amount of the current payment due to MCB; or (b) the balance of the Westlake Account less Five Thousand Dollars (\$5,000.00) (the latter to be maintained as a minimum balance until such time as the Previous Promissory Note and the Additional Promissory Note are fully paid and the SSA has reached the date of its expiration, at which time the entire Westlake Account shall be paid to Westlake to otherwise be paid by Westlake for and upon any other and remaining Additional SSA Special Services. Considering the foregoing, the parties shall from time to time (but no later than the end of each calendar year) analyze and determine the specific amount due to MCB for the Collective Debt Service during the following year after application of the current balance in the Westlake Account (which then current balance shall be reserved and restricted for payments of the Collective Debt Service in the next year). If the Westlake Account balance is sufficient to pay the Collective Debt Service payment(s) for the next year, the tax levy for the current year shall abate entirely and no SSA tax levy shall be made as a part of the imposition of real estate taxes upon properties within the SSA. To the extent that the Collective Debt Service payment(s) for the next year are greater than the Westlake Account balance, the tax levy for the current year shall be sufficient to assure that such Collective Debt Service payment(s) are able to be made the next year when combined with the funds in such Westlake Account. But, in order to assure that collected tax revenues (after application of the then current balance of the Westlake Account) shall be sufficient to pay the Collective Debt Service due during the next following year, the City shall take no action whatsoever as would otherwise potentially impair or adversely affect the City's ability to make the Collective Debt Service payment(s) for that next following year. Notwithstanding the foregoing, and based upon the fact that the parties may be sufficiently confident that the collections of the Westlake Supplemental Sales Tax shall otherwise provide sufficient funds for the payment of the Collective Debt Service for the following year, the City (with the written approval of MCB) may otherwise also provide for an abatement/reduction of the SSA tax levy for the current year.

To the extent that the Westlake Account exceeds the Collective Debt Service due during the following year, plus any anticipated reasonable expenses of the City during the next year for the administration of the SSA as herein provided, then (as indicated earlier in paragraph

3) such excess shall be paid to Westlake for purposes of application upon and payment of other Additional SSA Special Services as may not otherwise be provided from the Revised Loan Funds advanced by MCB.

With respect to the annual analysis and determination of the tax levy to be imposed for each current year as described above, such analysis and determination shall be initiated by Westlake by the providing by Westlake to the City and to MCB, at or around October 1 of each calendar year, a written notice of the need to adjust/change the tax levy for the SSA from that tax levy for such calendar year from the levy and extension last made or to otherwise be imposed under this Agreement or under the Ordinances otherwise established and applicable to the SSA. Such analysis, as described in the Westlake SSA Agreement, shall set forth: (a) the amount needed for the Collective Debt Service for the following year; (b) the EAV of the properties within the SSA; (c) the estimated amount of funds in the Westlake Account as would be expected to be available to pay upon the Collective Debt Service for the following year; and (d) the proposed tax rate and levy adjustment needed to provide (after applicable of funds available in the Westlake Account as above provided) the payment due to MCB upon the Collective Debt Service for the following year. In the event that there is no such analysis and determination made and provided to the City on or before December 15 of each calendar years, the City shall levy and extend the real estate tax levy upon properties within the SSA at the levy and amount otherwise provided hereunder (i.e. at the rate of \$19.60 for each \$100.00 of EAV).

5. Excess/Deficient Tax Revenues. To the extent that the collection of real estate taxes from the tax levy imposed from year to year upon the SSA together with the collected Westlake Supplemental Sales Tax exceed in any particular year for any reason the amount due to MCB for the Collective Debt Service for the applicable year, the City shall pay such excess to Westlake as herein provided. To the extent that there is any deficiency (in amount of the taxes so collected) to pay the payments(s) to MCB, any such deficiency shall be the obligation of Westlake to pay.

6. Other Provisions.

A. Use of Terms. Capitalized terms as may be set forth in this First Amendment shall, unless otherwise specifically provided, have the same meanings and constructions for purposes of this First Amendment as otherwise are set forth and provided in the previous Westlake SSA Agreement.

B. MCB as Party. The parties acknowledge and recognize that MCB's participation and involvement with the previous Westlake SSA Agreement was as a third party beneficiary (with MCB's rights attendant to such Westlake SSA Agreement and enforceable on its behalf as such a third party beneficiary). In the context of this First Amendment, MCB is a party. As such, it is the intention of the parties that rights provided hereunder for the benefit of MCB shall be enforceable by MCB as a direct and participating party hereto and as if MCB were originally a party to the previous Westlake SSA Agreement.

C. Continuing Force and Effect of Previous Agreement. Except as otherwise set forth and modified by this First Amendment, or except where the terms of this First Amendment are inconsistent with the previous Westlake SSA Agreement (in which case the terms and provisions hereunder shall prevail), all of the terms and provisions of the previous Westlake SSA Agreement shall continue in full force and effect and are expressly ratified, republished and incorporated herein by this reference.

IN WITNESS WHEREOF, the parties hereto have set their hands and seals the day and year first above written.

City of Peoria, an Illinois municipal
Corporation

By: *Pat UH*
Its: *City Manager*

Attest: *Beth Ball*
City Clerk

Approved as to Form:

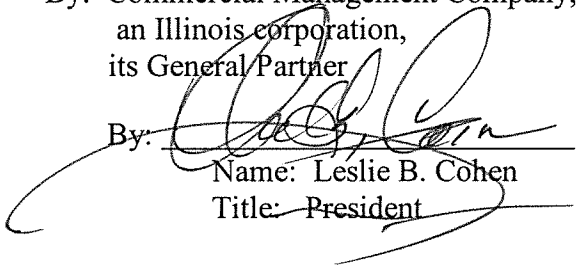
By: *Donald P. Leist*
Legal Department

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JUL 31 2014
R. STEVE SONNEMAKER
PEORIA COUNTY CLERK

Westlake Limited Partnership,

an Illinois limited partnership,
its sole Member

By: Commercial Management Company,
an Illinois corporation,
its General Partner

By: 
Name: Leslie B. Cohen
Title: President

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Morton Community Bank, an
Illinois corporation

By: Maria B
Its: SVP

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