

RESOLUTION TO INDUCE DEVELOPMENT OF A BIOFUELS PRODUCTION FACILITY LOCATED WITHIN THE CITY OF NEWTON TAX INCREMENT FINANCING REDEVELOPMENT PROJECT AREA NO. 1

WHEREAS, the City of Newton (the “City”) is authorized under the provisions of the Tax Increment Allocation Redevelopment Act, *65 ILCS 11-74.4-1, et seq.* (the “Act”), to finance redevelopment project costs in connection with redevelopment project areas established in accordance with the conditions and requirements set forth in the Act; and

WHEREAS, on October 21, 2008 the City adopted Ordinances 08-21, 08-22, and 08-23 approving a Tax Increment Finance Redevelopment Plan & Project (the “Plan”) for a redevelopment project area; designating a redevelopment project area identified as “Redevelopment Project Area No. 1” (the “Project Area” or “TIF No. 1”), and adopting tax increment financing for said Project Area respectively; and

WHEREAS, the City has received a proposal from Newton Biofuels, LLC of Newport Beach, California (the “Developer”) to build a 100 million gallon per year biofuels production facility (the “Project”) within the City’s TIF No. 1, which construction of said Project is conditioned on receiving certain TIF and other financial incentives; and

WHEREAS, the Developer will be expending certain funds as part of its due diligence efforts and to acquire ownership of property, as displayed on Exhibit A attached hereto (the “Property”), upon which the Project will be built; and

WHEREAS, the City may expend funds in furtherance of the objectives of the Plan and to negotiate a TIF incentive agreement with the Developer; and

WHEREAS, it is the intent of the City to recover these expenditures from proceeds of the TIF program; and

WHEREAS, the City wishes to encourage Newton Holdings, LLC to pursue plans for the redevelopment of the Property and make such expenditures as are reasonably necessary in that regard with confidence that TIF eligible expenditures, including property assembly costs, will be allowable redevelopment project costs, provided that such costs are included in the Plan and meet the definition of “redevelopment project costs” as defined in the Act; and

WHEREAS, the development of the proposed Project will enhance the City’s tax base as well as the tax base of other affected taxing districts, provide new job opportunities for its residents, grow the industrial base of the City, and improve the general welfare and prosperity of the community; and

NOW, THEREFORE, BE IT RESOLVED by the City Council of the City of Newton, Illinois as follows:

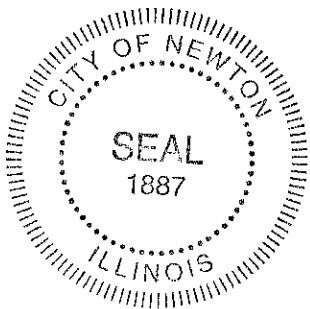
1. That the City Council has examined the proposed Project and at this time believes that tax increment financing incentives are necessary for the Project to move forward and that incurring certain development costs in furtherance of the Project shall be allowable project costs under the Plan and Act, provided that such costs are included in the Plan and meet the definition of "redevelopment project costs" as defined in the Act.


2. The Mayor is directed to negotiate a redevelopment agreement between the City and the Developer that is suitable to both parties and bring such agreement before the City Council for its consideration and approval.

3. That this resolution does not constitute a financial obligation of the City with respect to the Developer or the Project, but rather an expression of intent of the City at this time.


PASSED this 21st day of March 2017.

YEAS: 4
NEAS: 0
ABSENT: 2
ABSTAIN: 0




Mark Bolander, Mayor

ATTEST:


Rosetta York, City Clerk

Attachment: Exhibit A - Project Boundary Map

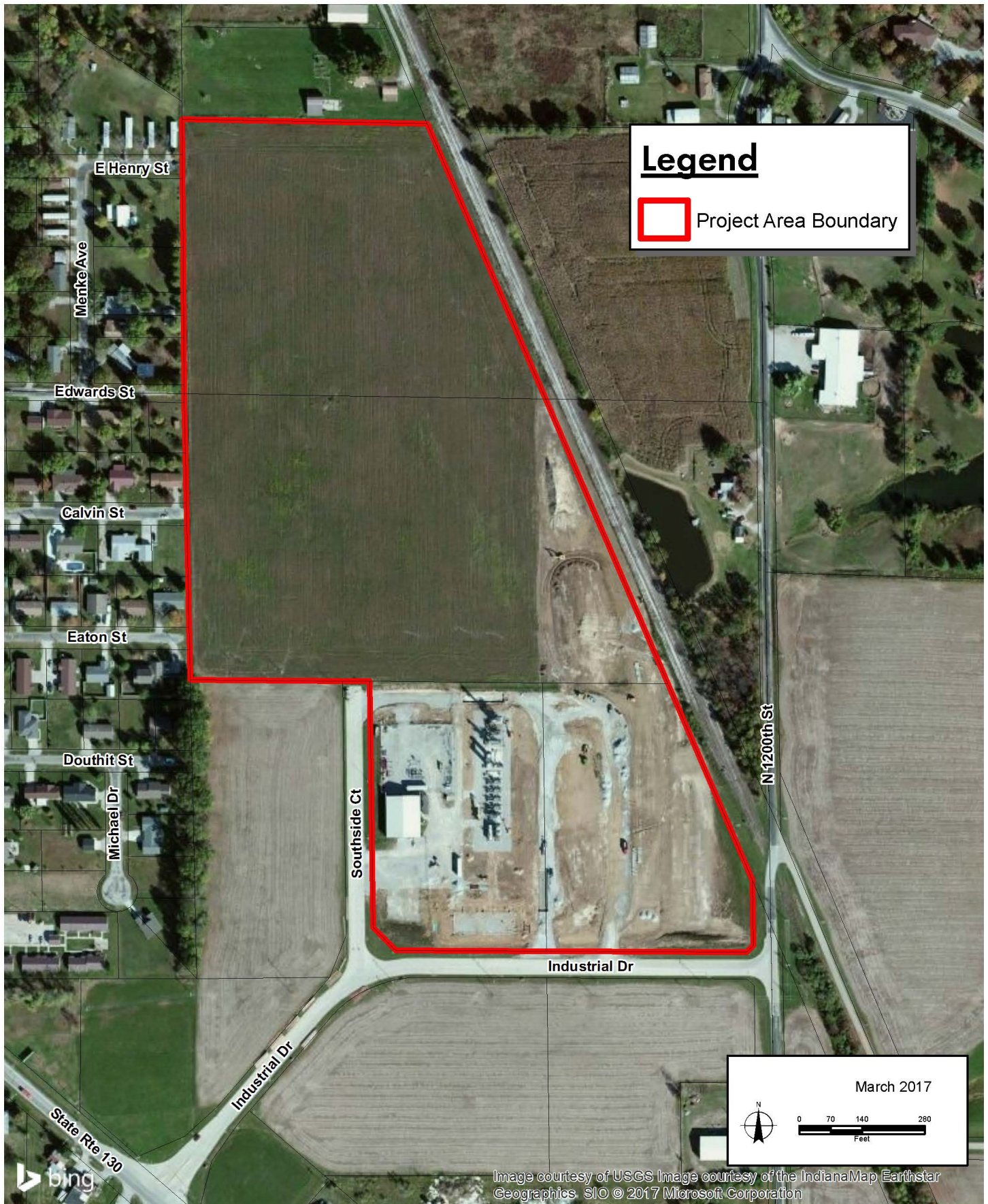


Exhibit A - Proposed Newton Biofuels Project Boundary Map

City of Newton, Illinois



PCAV PLANNERS