

Local Agency City of Rochelle	 <b>Illinois Department of Transportation</b>  <b>Economic Development/TARP Agreement</b>	Job Number - Construction C-92-041-16
Section 15-00115-00-FP		Job Number - Engineering P-92-037-16

This Agreement is made and entered into between the above local agency hereinafter referred to as "LA", and the State of Illinois, acting by and through its Department of Transportation, hereinafter referred to as "STATE". The STATE and LA jointly propose to improve the designated location as shown below.

#### Location

Local Name South Main Street & Steam Plant Road Route FAU 5456 / FAU 5460 Length 1.14 mi  
 Number of TARP Eligible Intersections 2 Lane Miles 2.28  
 Termini On South Main Street from Veterans Parkway to Steam Plant Road; On Steam Plant Road from South Main Street to 1000 feet east  
 Current Jurisdiction City of Rochelle

#### Project Description

Widening, reconstruction and urbanization of South Main Street, from Veterans Parkway to Steam Plant Road, and along Steam Plant from Main Street to the company's truck entrance. The truck entrance is located approximately 1000 feet east of South Main Street. The project also includes a pedestrian path along the east side of South Main Street and the north side of Steam Plant Road.

#### Division of Cost

Type of Work	EDP	%	TARP	LA	%	Total
Participating Construction	1,531,395	( 50 )	95,300	1,532,000	( BAL )	3,158,695
Non-Participating Construction		( )	( )		( )	0
Preliminary Engineering	95,000	( 50 )	( )	95,000	( BAL )	190,000
Construction Engineering	85,000	( 50 )	( )	85,000	( BAL )	170,000
		( )	( )		( )	0
		( )	( )		( )	0
		( )	( )		( )	0
<b>TOTAL</b>	<b>\$1,711,395</b>		<b>\$95,300</b>	<b>\$1,712,000</b>		<b>\$3,518,695</b>

#### Note

- 1/ The STATE will reimburse the LA for eligible EDP construction and engineering costs of the project subject to a maximum of \$1,711,395
- 2/ 80,000 lb Truck Access Road Program -There is available a lump sum amount of \$95,300 to be applied solely to construction costs
- 3/ Any remaining balance shall be the responsibility of the LA in the event EDP and TARP funds are not sufficient to cover the project costs.

The STATE will pay the LA 95% of its share of the EDP construction costs upon the award of the construction contract and receipt of billing from the LA. The remaining 5% will be paid to the LA upon receipt of the final invoice.

Upon award of the project and request of payment from the LA, the STATE will pay the LA its share of the TARP funds.

The STATE will reimburse the LA for the STATE's share of the Preliminary and Construction Engineering on the basis of periodic billings provided said billings contain sufficient cost information and includes orders of payment by the LA.

The final invoice will reflect the incurred cost of the improvement, less previous payments, no later than one year from the date of completion of the improvement. If a final invoice is not received within one year of the completion of the improvement the most recent invoice will be considered the final invoice and the obligation of funds will be closed.

## Agreement Provisions

1. It is mutually agreed that the PROJECT will be processed, let and constructed in accordance with Motor Fuel Tax standards, policies and procedures.
2. Construction of the PROJECT will utilize domestic steel as required by Section 106.01 of the current edition of the Standard Specifications for Road and Bridge Construction.
3. The LA will certify to the STATE that all necessary right-of-way, temporary and permanent easements, and temporary use permits have been obtained or are not required, prior to the LA advertising for bids for the PROJECT.
4. The PROJECT will be let and awarded by the LA upon approval of the plans and specifications by the STATE.
5. The LA agrees to retain jurisdiction and to maintain or cause to be maintained in a manner satisfactory to the STATE, the completed PROJECT.
6. Upon approval of the final plans and specifications by the STATE and the LA, the LA agrees to accept bids and award the contract for construction of the proposed improvements after receipt of a satisfactory bid and after concurrence in the award has been received from the STATE and provide, or cause to be provided, all of the initial funding necessary to complete the project subject to partial reimbursement by the STATE as hereinafter specified.
7. This Agreement and the covenants contained herein shall be null and void in the event the initial contract covering the construction work contemplated herein is not awarded by March 31, 2021.
8. The LA shall maintain, for a minimum of 3 years after the completion of the project, adequate books, records, and supporting documents to verify the amounts, recipients and uses of all disbursements of funds passing in conjunction with this Agreement. All books, records, and supporting documents related to the project shall be available for review and audit by the Auditor General and the Department; and to provide full access to all relevant materials. Failure to maintain the books, records and supporting documents required by this section shall establish a presumption in favor of the STATE for the recovery of any funds paid by the STATE under the contract of which adequate books, records, and supporting documentation are not available to support their purported disbursement.
9. The LA agrees to pass an ordinance/resolution clearly defining the limits of the proposed 80,000 pound truck route and identifying the truck route class. A copy of said ordinance/resolution is attached as Exhibit D. Such truck route shall be properly signed in accordance with the Illinois Manual on Uniform Traffic Control Devices. Cost of truck route signing is included in estimated cost of the PROJECT.
10. Obligations of the STATE shall cease immediately without penalty or further payment being required if, in any fiscal year, the Illinois General Assembly fails to appropriate or otherwise make available funds for the work contemplated herein.
11. All projects for the construction of fixed works which are financed in whole or in part with funds provided by this Agreement shall be subject to the Prevailing Wage Act (820 ILCS 130/0.01 et seq.) unless the provisions of that Act exempt its application.
12. The LA has entered into an economic development agreement with Rochelle Foods, LLC & Hormel Corporation herein referred to as the "COMPANY". As required by Public Act 93-552, the COMPANY agrees to annually submit to the STATE for a period of five complete calendar years from the execution of this Agreement, a progress report of employment. All annual progress reports will be completed on-line through the Department of Commerce and Economic Opportunity. The initial Employee Reporting Form should be attached as "Exhibit B". The agreement between the LA and the COMPANY delineating the reporting requirements is attached as "Exhibit C"
13. It is mutually agreed that in the event of a default by the COMPANY on their commitment to create and/or retain jobs, the STATE will seek reimbursement of the Economic Development funds provided for this PROJECT from the LA. This determination to seek reimbursement will be based on an evaluation of the information reported in the annual progress report of employment required in item 12 of this Agreement. Failure to submit the required employment report will be considered default on the COMPANY's commitment.
14. This Agreement shall be binding upon and inure to the benefit of the parties hereto, their successors and assigns.

Local Agency City of Rochelle	Section 15-00115-00-FP
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EXHIBITS

Additional information and/or stipulations are hereby attached and identified below as being a part of this Agreement.  
Exhibit A - Location Map  
Exhibit B - Employee Reporting Form  
Exhibit C - Local Agency/Company Agreement  
Exhibit D - 80,000 lb Truck Access Resolution

The LA further agrees, as a condition of payment, that it accepts and will comply with the applicable provisions set forth in this Agreement and all exhibits indicated above.

APPROVED

Local Agency

Chet Olson

Name of Official (Print or Type Name)

Mayor

Title (County Board Chairperson/Mayor/Village President/etc.)

(Signature)

Date

The above signature certifies the agency's TIN number is \_\_\_\_\_ conducting business as a Governmental Entity.

NOTE: If signature is by an APPOINTED official, a resolution authorizing said appointed official to execute this agreement is required.

APPROVED

State of Illinois  
Department of Transportation

Randall S. Blankenhorn, Secretary of Transportation

Date

By:

Aaron A. Weatherholt, Deputy Director of Highways

Date

Omer Osman, Director of Highways/Chief Engineer

Date

William M. Barnes, Chief Counsel

Date

Jeff Heck, Chief Fiscal Officer (CFO)

Date

Local Agency  
City of Rochelle

Section  
15-00115-00-FP



## Exhibit "A" Location Map

Source: Esri, DigitalGlobe, GeoEye, Earthstar, USDA, USGS, AeroGRID, IGN, SDA, and the GIS User Community



Date of Application 9-14-2015

Application Tracking Number \_\_\_\_\_  
(Assigned by IDOT)

**COMPANY INFORMATION**

Name of Company Rochelle Foods Hormel

Chief Officer or Authorized Designee William H. Rice

Title Plant Manager

Address 1001 S. Main St.  
Rochelle, IL 61068

Phone Number 815-562-4141 x3200

E-mail Address whrice@hormel.com  
(required)

Standard Industrial Classification Number  
(SIC #) \_\_\_\_\_

North American Industry Classification  
System (NAICS) \_\_\_\_\_

Project Site \_\_\_\_\_  
(City and Zip Code where employees,  
new or retained, are to be located.)

**SPONSOR INFORMATION**

Sponsor (Unit of Government) City of Rochelle

Contact Person Sam Tesreau

Title City Engineer

Address 417 N 6th Street  
Rochelle, IL 61068


Phone Number 815-561-2023

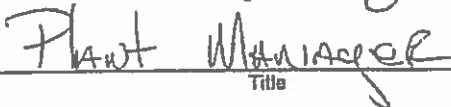
**EXHIBIT B**





I, William H. Rice, As the Chief Officer (or authorized designee of the recipient) verify that the information in the progress report contains no knowing misrepresentation of material facts upon which eligibility for development assistance is based. I further certify that, to the best of my knowledge, the recipient is in compliance with the development assistance agreement(s) between, or behalf of, the recipient and the Illinois Department of Transportation.

  
\_\_\_\_\_  
Signature

  
\_\_\_\_\_  
Title

9-21-15  
Date

Granting Body of Economic Development Program Funds: Illinois Department of Transportation  
Director of Office of Planning and Programming  
2300 South Dirksen Parkway  
Springfield, Illinois 62764

Please mail form to: Illinois Department of Transportation  
Bureau of Statewide Program Planning  
Office of Planning and Programming, Rm. 307  
2300 South Dirksen Parkway  
Springfield, Illinois 62764  
Attn: Economic Development Program  
Phone (217) 782-0378

**LOCAL AGENCY/COMPANY**  
**AGREEMENT**

**THIS AGREEMENT** is made as of the \_\_\_\_ day of \_\_\_\_\_, 2017 by and between the City of Rochelle hereinafter called the LOCAL AGENCY and Rochelle Foods, LLC & Hormel Corporation, hereinafter called the COMPANY.

**WHEREAS**, the LOCAL AGENCY is interested in expanding its economic base with the primary emphasis on creating and retaining jobs; and

**WHEREAS**, the LOCAL AGENCY will enter into an agreement with the Illinois Department of Transportation, hereinafter called the STATE, to implement an economic development program that significantly impacts upon the LOCAL AGENCY's economic base; and

**WHEREAS**, the COMPANY has proposed a project that will create and/or retain jobs, thus providing a significant benefit to the LOCAL AGENCY's economic base; and

**NOW, THEREFORE**, in consideration of the mutual covenants contained herein, the parties agree as follows:

**I. REPORTING REQUIREMENTS**

- 1.1 As required by Public Act 93-552, the COMPANY is required to submit to the STATE an annual progress report of employment for five years from the date of the IDOT/Local Agency funding agreement.
- 1.2 The annual progress report shall consist of job classifications, wages, number of positions, and other pertinent information as shown on Exhibit I.
- 1.3 All annual employee progress reports will be completed on-line through the Department of Commerce and Economic Opportunity. The COMPANY will be notified by letter annually with instructions on how and when to fill out their annual report. This report will then be submitted electronically to IDOT.

**II. DEFAULT AND REMEDIES**

- 2.1 The COMPANY shall make the investment in the Project which shall create and/or retain a minimum of 118 full-time jobs at the facility on or before March, 2022.
- 2.2 In the event the COMPANY fails to create and/or retain the requisite number of full-time jobs, or the COMPANY fails to comply with the reporting requirements herein, the COMPANY may be held in default. If declared in default, the COMPANY shall be put on suspension and shall be prohibited from completing any current or providing any future development assistance until the state receives proof that the recipient has come into compliance with the requirements of Public Act 93-552.

**III. TERMINATION**

- 3.1 This Agreement may be terminated at any time by written, mutual agreement of the parties.
- 3.2 This Agreement, and all further obligations of the parties hereunder, will terminate when the Project has been completed and when the COMPANY has satisfied its reporting obligations under Section 1.

**IV. GENERAL PROVISIONS**

- 4.1 Wherever possible each provision of this Agreement shall be interpreted in such manner as to be effective and valid under applicable law, but if any provision shall be invalid under applicable law, such provision shall be ineffective to the extent of such invalidity without invalidating the remaining provisions of this Agreement.
- 4.2 This Agreement represents the full and complete agreement between the parties with respect to the matters addressed herein and there are no oral agreements or understandings between the parties.
- 4.3 This Agreement shall be construed in accordance with and governed by the law of the State of Illinois.

**APPROVED BY**

Company Name Rochelle Foods, LLC & Hormel  
Title William H. Rice - Plant Manager  
Signature \_\_\_\_\_  
Date \_\_\_\_\_

**APPROVED**

City/Village of Rochelle  
By Mayor Chet Olson -  
Mayor/President  
Date \_\_\_\_\_

# Rochelle Foods

1001 S. Main Street  
Rochelle, IL 61068  
Phone: 815/562-1141  
Fax: 815/562-1149

Mr. Dave Plyman  
City Manager  
City of Rochelle  
420 North 6<sup>th</sup> Street  
Rochelle, IL 61068

RE: Letter of commitment - Rochelle Foods, LLC & Hormel Foods Corp.

Dear Mr. Plyman:

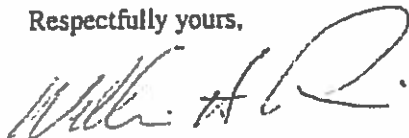
On behalf of Rochelle Foods, LLC & Hormel Foods Corp., I would like to express our desire to expand our existing facility in Rochelle, Illinois. Our facility has been in Rochelle for over 23 years and continues to be an advantageous location for our expanding, state-of-the-art processing facility (the "Project") as opposed to other locations outside of Illinois. There are nearly 700 people employed at the Rochelle Foods, LLC & Hormel Foods Corp. site. The purpose of this letter is to solidify our commitment to your community, as well as reiterate the off-site infrastructure needs we will be looking for the City to complete to update access to our facility. This Letter of Commitment is not intended to be a legal or binding obligation of either Rochelle Foods, LLC & Hormel Foods Corp. or the City of Rochelle. Rather, it will confirm our present intent to develop the Project in Rochelle and induce the City to undertake the matters necessary for the provision of the development incentives outlined herein.

The Project will be developed with construction to be initiated in late 2015 or early 2016. The Project will result in approximately \$40 million in private investment and create up to 118 full-time jobs with Rochelle Foods, LLC & Hormel Foods Corp.

But for the completion of the Main Street and Steam Plant Road Improvements, as proposed on the location map at this time, the intended site in Rochelle would not meet our expanding transportation needs and is a key decision in locating elsewhere outside Illinois. By initiating this project, the City will provide Rochelle Foods Hormel with adequate transportation routes to accommodate our needs. Without question, these items are imperative to our operations.

By my signature below, this letter is evidence of Rochelle Foods, LLC & Hormel Foods Corp.'s intention to locate the Project within the City of Rochelle. We understand that the City will incur substantial expense in completing these infrastructure improvements. Further, it is our understanding that would it not be for the assistance made available by the State of Illinois through the Illinois Department of Transportation Economic Development Program grant currently being sought, the City would not have the financial means to complete these projects. Again, Rochelle Foods Hormel looks forward to the development of the Project and working with the City of Rochelle. Please do not hesitate to call on me for any questions or assistance.

Respectfully yours,



William H. Rice  
Plant Manager

cc: Sam Tesreau, City of Rochelle Engineer