

**ORDINANCE NO. 528**

**AN ORDINANCE AUTHORIZING THE EXECUTION OF A  
REDEVELOPMENT AGREEMENT WITH MARI HOLDINGS, IL, LLC AND  
ALLGREENS DISPENSARY, LLC**

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**ADOPTED BY THE CITY COUNCIL  
OF THE CITY OF CASEY  
THIS 6TH DAY OF FEBRUARY, 2023**

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**PUBLISHED IN PAMPHLET FORM BY AUTHORITY OF THE CITY COUNCIL OF  
THE CITY OF CASEY, CLARK COUNTY, ILLINOIS, THIS 6TH DAY OF  
FEBRUARY, 2023.**

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REDEVELOPMENT AGREEMENT WITH MARI HOLDINGS, IL, LLC AND  
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**WHEREAS**, the City of Casey, Illinois, is authorized, pursuant to 65 ILCS 5/8-11-20, to enter into economic incentive agreements for the development of land within the corporate limits of the City that provide for the sharing or rebate of a portion of the Municipal Cannabis Retailer's Occupation Taxes received by a municipality to assist with the redevelopment of land within the municipality; and,

**WHEREAS**, the City of Casey, Illinois, is authorized, pursuant to 65 ILCS 5/8-1-2.5, to appropriate and expend funds for economic development purposes including the making of grants to any commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the municipality; and,

**WHEREAS**, Mari Holdings IL, LLC, (the "Developer") and Allgreens Dispensary, LLC, (the "Operator") desire to redevelop an approximately 2,400 building into a licensed, adult use cannabis dispensary and other commercial uses (the "Project") on the following described real estate, which is located wholly within the corporate limits of the City:

**SEE EXHIBIT A WHICH IS ATTACHED HERETO AND HEREBY  
INCORPORATED BY THIS REFERENCE AS  
THOUGH FULLY SET FORTH HEREIN**

said real estate (hereinafter referred to as "Property"); and,

**WHEREAS**, the Developer and Operator meet high standards of creditworthiness and financial strength; and,

**WHEREAS**, the redevelopment of the Project on the Property by the Developer and Operator will strengthen the commercial sector of the City, will enhance the tax base of the City, will further the development the Property will further the development of the area surrounding the Property, and will create job opportunities in the City; and,

**WHEREAS**, the development of the Project on the Property by the Developer and Operator would not occur without this Agreement; and,

**WHEREAS**, the City Council has determined that it is in the best interest of the City to enter into a certain Redevelopment Agreement to secure the redevelopment of the Project on the Property by the Developer and Operator, as provided for herein.

**NOW THEREFORE, BE IT HEREBY ORDAINED BY THE CITY COUNCIL OF THE CITY OF CASEY, CLARK COUNTY, ILLINOIS, THAT:**

**Section 1:** The findings made in the prefatory portion of this Ordinance are hereby adopted.

**Section 2:** The Redevelopment Agreement by and between City of Casey, Illinois, and Mari Holdings IL, LLC and Allgreens Dispensary, LLC, attached hereto as Exhibit B and hereby incorporated by reference as though fully stated herein, is hereby approved.

**Section 3:** City of Casey Mayor, Michael E. Nichols, and City Clerk, Jeremy Mumford, are hereby authorized to execute and attest said Redevelopment Agreement by and between City of Casey, Illinois, and Mari Holdings IL, LLC and Allgreens Dispensary, LLC, and all other necessary documents to consummate the transaction contemplated herein.

**Section 4:** This Ordinance shall be in full force and effect from and after its passage and approval by the corporate authorities in a manner provided by law.

Placed on file this 6<sup>th</sup> day of February, 2023.

Presented, passed, and approved this 6<sup>th</sup> day of February, 2023.

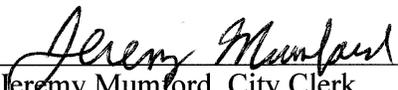
Alderman Jenkins	<u>yes</u>
Alderman Mumford	<u>yes</u>
Alderman Richardson	<u>yes</u>
Alderman Ruffner	<u>yes</u>
Alderman Williams	<u>yes</u>
Alderman Wilson	<u>no</u>

YEAS: 5  
NAYS: 1

**CITY OF CASEY, ILLINOIS**

  
\_\_\_\_\_  
Michael E. Nichols, Mayor

ATTEST:

  
\_\_\_\_\_  
Jeremy Mumford, City Clerk

STATE OF ILLINOIS            )  
  ) SS.  
COUNTY OF CLARK            )

**CERTIFICATE**

I, Jeremy Mumford, Clerk of the City of Casey, County of Clark, State of Illinois, do hereby certify that I am the keeper of the records, files and seal of the said City.

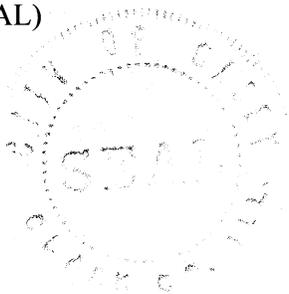
I further certify that on February 6<sup>th</sup>, 2023, the corporate authorities of such municipality passed and approved Ordinance No. 528 entitled “An Ordinance Authorizing the Execution of a Redevelopment Agreement with Mari Holdings, Il, LLC and Allgreens Dispensary, LLC”, which provided by its terms that it should be published in pamphlet form.

The pamphlet form of Ordinance No. 528, including the Ordinance and a cover sheet thereof, was prepared, and a copy of such Ordinance was posted in the municipal building, commencing on February 6<sup>th</sup>, 2023 and continuing for at least ten days thereafter. Copies of such Ordinance were also available for public inspection upon request in the office of the municipal clerk.

I further certify that the within and foregoing is a true, perfect and complete copy of the Ordinance of the City of Casey, County of Clark, and State of Illinois being Ordinance No. 528 of the City of Casey, Illinois, and on file and of record in my office.

Dated at Casey, Illinois, this 6<sup>th</sup> day of February, 2023.

(SEAL)



Jeremy Mumford  
Jeremy Mumford, City Clerk  
City of Casey, County of Clark  
and State of Illinois

## EXHIBIT A

Part of the Southwest Quarter (SW $\frac{1}{4}$ ) of Section Seventeen (17), Township Ten (10) North, Range Fourteen (14) West of the Second Principal Meridian, described as follows: Commencing at the Northeast corner (NE/c) of the Southwest Quarter (SW $\frac{1}{4}$ ) of said Section Seventeen (17); thence West along the North line of the Southwest Quarter (SW $\frac{1}{4}$ ) of said Section Seventeen (17) for 691.5 feet; thence South 29 degrees 08 minutes West along the right of way line of Illinois Route 49 for 1116.25 feet to the Place of Beginning; thence South 82 degrees 12 minutes 40 seconds East for 365 feet; thence South 5 degrees 50 minutes 25 seconds West for 309.80 feet; thence South 89 degrees 48 minutes West for 380 feet; thence North 0 degrees 38 minutes East for 275 feet; thence North 29 degrees 08 minutes East along the right of way of Illinois Route 49 for 96.25 feet to the Place of Beginning, according to Plat of Survey dated October 3, 2000 and recorded October 20, 2000 in Plat Book 7, Page 294 as Document No. 40072 made by Charles J. Becher, Illinois Professional Land Surveyor No. 1957; situated in Clark County, Illinois.

Parcel Identification Number: 03-11-17-00-300-037

**EXHIBIT B**  
**REDEVELOPMENT AGREEMENT BY AND BETWEEN**  
**CITY OF CASEY, ILLINOIS, AND MARI HOLDINGS IL LLC AND**  
**ALLGREENS DISPENSARY, LLC**

THIS REDEVELOPMENT AGREEMENT (hereinafter referred to as the “Agreement”) is entered into this 6<sup>th</sup> day of **February, 2023** (hereinafter referred to as the “Effective Date”) by the City of Casey, Illinois, an Illinois municipal corporation (hereinafter referred to as the “City”), and **Mari Holdings IL, LLC**, a Massachusetts limited liability company (hereinafter referred to as the “Developer”) and **Allgreens Dispensary, LLC**, an Illinois limited liability company (hereinafter referred to as the “Operator”).

**PREAMBLE**

**WHEREAS**, the City is authorized, pursuant to 65 ILCS 5/8-11-20, to enter into economic incentive agreements for the development of land within the corporate limits of the City that provide for the sharing or rebate of a portion of the Municipal Cannabis Retailer’s Occupation Taxes received by a municipality to assist with the redevelopment of land within the municipality; and,

**WHEREAS**, the City is authorized, pursuant to 65 ILCS 5/8-1-2.5, to appropriate and expend funds for economic development purposes including the making of grants to any commercial enterprises that are deemed necessary or desirable for the promotion of economic development within the municipality; and,

**WHEREAS**, Mari Holdings IL, LLC, is the Purchaser and developer of a certain tract of real estate located within the corporate limits of the City of Casey, Illinois. Said tract of real estate is more particularly described on Exhibit 1, which is attached hereto and hereby incorporated by this reference as though fully set forth herein (hereinafter referred to as the “Property”); and,

**WHEREAS**, Developer and Operator are seeking approval and the City’s cooperation in the redevelopment of the Property, at an approximate cost of \$1,350,000.00 into an adult use (recreational) cannabis dispensary and other commercial uses (hereinafter referred to as the “Project”); and,

**WHEREAS**, the building on the Property has been less than significantly occupied for more than one (1) year; and,

**WHEREAS**, the building on the Property has been underutilized for more than one (1) year; and,

**WHEREAS**, the building on the Property no longer complies with local building codes; and,

**WHEREAS**, the Project is expected to create and retain jobs within the municipality; and,

**WHEREAS**, the Project will serve to further the development of areas adjacent to and surrounding the Property; and,

**WHEREAS**, Developer meets high standards of creditableness and financial strength;

**WHEREAS**, the Project will strengthen the commercial sector of the City; and,

**WHEREAS**, it is the intent of the City to encourage economic development which will increase the real estate tax base of the City; and,

**WHEREAS**, the City has determined that the Project requires the public financial support and that the Project will, promote the health, safety and welfare of the City and its citizens by attracting private investment to remove blight and deterioration; to provide employment for its citizens, and is necessary and desirable for the promotion of economic development within the City; and,

**WHEREAS**, in order to induce the redevelopment of the Property and the construction, installation, and operation of the Project by Developer and Operator, the City has agreed to provide certain economic incentives to Developer and Operator; and,

**WHEREAS**, the City finds that without the incentives which it is capable of providing, that the Project could not be built and the Property would not be redeveloped.

## **AGREEMENT**

**NOW THEREFORE, IN CONSIDERATION OF THE MUTUAL TERMS, CONDITIONS, AND BENEFITS CONTAINED HEREIN, IT IS HEREBY AGREED THAT:**

**A. Incorporation of Recitals and Construction:** The findings made in the prefatory portion of this Agreement are hereby adopted by the parties hereto and are hereby incorporated herein by this reference. Any terms which are not defined in this Agreement shall have the same meaning as they do in the Illinois Municipal Code, or in the Cannabis Regulation and Tax Act, 40 ILCS 705/1-1, et. seq., as amended, unless indicated to the contrary.

**B. Term of Agreement:** Unless sooner terminated as hereinafter provided; this Agreement shall continue in effect until all obligations of City and Developer and Operator hereunder have been fully performed, unless sooner terminated under the terms and conditions of this Agreement (hereinafter referred to as the "Term").

**C. Project Description/Cost:** Developer has acquired and proposes to remodel and redevelop the approximately 2,400 building located on the Property into a licensed, adult use cannabis dispensary and other commercial uses (i.e. the “Project”). Developer estimates that the acquisition and redevelopment cost for the Project will be approximately One Million Three Hundred Fifty Thousand Dollars (\$1,350,000.00)

**D. Developer’s Obligations:** Pursuant to the terms and conditions of this Agreement, the Developer and Operator shall (hereinafter referred to collectively as the “Developer’s Obligations”):

1. On or before March 31, 2023, Developer shall purchase the Property from Prairie Fire Smokehouse, Inc., an Illinois corporation, at a cost of Three Hundred Fifty Thousand (\$350,000.00).
2. Developer shall, at Developer’s expense, remodel and redevelop the existing commercial building, consisting of approximately 2,400 square feet at an estimated construction cost of One Million Dollars (\$1,000,000.00) on the Property and fully equip said building to be operated as a licensed adult use cannabis dispensary (i.e. the Project), as generally depicted in Exhibit 2, which is attached hereto and hereby incorporated by this reference as though fully set forth herein. The Developer shall begin construction on the Project on or before April 1, 2023, and shall Complete Construction on the Project on or before December 31, 2023. For the purposes of this Agreement, the term “Complete Construction” shall mean the issuance of a certificate of occupancy by the City to the Developer in accordance with the City of Casey, Illinois, regulations and the opening of the Project to the general public for business.
3. Developer shall invest approximately One Million Three Hundred Fifty Thousand Dollars (\$1,350,000.00) of its own capital into real property acquisition, improvements, fixtures, equipment, and soft costs at the commencement of the Project.
4. Developer and Operator shall give priority or preference in hiring qualified persons who reside in the City of Casey, Illinois, or Clark County, Illinois.
5. Developer and Operator shall not convey, transfer or assign the Project, or the real estate described herein, or any portion thereof to any third party without the prior written approval by the City. As a condition of any conveyance or transfer, the Developer and Operator shall cause any grantee or successor in interest to assume the obligations hereunder for the Project or the portion of the Property so conveyed. Approval for transfer or conveyance shall not be unreasonably withheld or delayed by the City.
6. For a period of 15 years from and after the Effective Date of this Agreement, Developer, its successors and assigns, agree that all conveyances of the

Property, or any portion thereof, shall be to persons and/or legal entities which are not exempt from ad valorem property taxes levied against the Property. For a period of twelve (12) years after the establishment of the initial equalized assessed valuation for the Property, the Developer, and its successors and assigns agree that it/they will not seek a reduction in the assessed value of the improvements below the assessed value of the land and improvements established at the time the Property is first occupied by Developer and Operator. Thereafter, no objection shall be made to any increase in equalized assessed valuation of the Project or Property which does not exceed five percent (5%) of the previous assessment.

7. Within 18 months after Developer or Operator Completes Construction of the Project, Operator shall employ not less than 20 full-time employees and 15 part-time employees in the operation of the Project. Operator shall provide to City, on a monthly basis during the Term of this Agreement, proof, in the form of payroll records, of the number of full-time and part-time persons employed in the operation of the adult use cannabis dispensary (i.e. Project). For purposes of this Agreement, a full-time employee shall mean employing a single person working a minimum of 37 ½ hours per week as demonstrated by the payroll records of the Operator.
8. Developer shall cause its construction/remodeling contractor to provide or carry builder's risk insurance throughout the construction/remodeling portion of the Project. Such insurance shall provide for coverage of all materials, to their full replacement value. Such policy shall name Developer as additional insured.
9. In the event of a casualty resulting in damage amounting to less than a total loss of the building located on the Property, Developer and City agree that the proceeds of the property/casualty insurance policy shall be used to restore the building to its condition prior to the occurrence of the event giving rise to the damage or loss. In the event of a casualty resulting in a total loss of the building structure, City and Developer shall meet and determine whether the building is to be rebuilt. Any and all Municipal Cannabis Retail Occupation Tax Rebate payments shall cease until a determination to rebuild has been made and operation of the Project has been restored.

**E. Project Construction:**

1. The Developer agrees to submit remodeling and redevelopment plans to the City for its approval; which approval shall not be unreasonably withheld or delayed. Such plans shall be consistent with the goals and objectives of this Agreement. Those plans shall include a remodeling/construction plan signed and stamped by a licensed design professional.

2. All contracts for construction, remodeling, or demolition work shall contain an express statement that waiver of liens shall be required as a precondition for payment.
3. All work with respect to development of the Project shall conform to applicable federal, state, and local laws, regulations and ordinances including, but not limited to, building codes, subdivisions code, zoning and life safety codes.
4. Prior to closing on the acquisition of the Property, Developer shall furnish City with written evidence of its financial ability to complete the Project in the form of an irrevocable letter of credit; letter from a bank evidencing a line of credit, bank account with a balance sufficient to cover all acquisitions, redevelopment and start-up costs, or other form satisfactory to City demonstrating that Developer and Operator have available sufficient funds to cover all costs of remodeling, purchase and installation of equipment and fixtures and any additional startup operational costs.

**F. Enterprise Zone Benefits:** Subject to Developer and/or Operator submitting a complete application, City will grant Developer, all Enterprise Zone benefits applicable to the Project, including real property tax abatement, sales tax exemption status for building materials incorporated into the permanent structure of the building. Developer agrees to timely complete and to cause its contractor or subcontractors to timely complete and submit to City all applications and supporting documentation for Enterprise Zone benefits. Developer agrees to pay the Enterprise Zone fees customarily imposed by the Clark County Enterprise Zone as a condition of receiving such benefits.

**G. City's Obligations:** If, and only if, the Developer and/or Operator fully and timely complete the Developer's Obligations as set forth in Sections D and E of this Agreement, then:

1. The City shall impose and thereafter maintain during the term of this Agreement, a Municipal Cannabis Retailers' Occupation Tax, as authorized pursuant to 65 ILCS 5/8-11-22 and as authorized and imposed pursuant to City of Casey, Illinois, Ordinance No. 519, and any subsequent amendment thereto (hereinafter referred to as the "Municipal Cannabis Retailers' Occupation Tax").
2. On a monthly basis, for a period of eighty-four (84) months, commencing with the first month that the Operator sells at retail cannabis, cannabis infused products, or other commodities that are subject to the Municipal Cannabis Retailer's Occupation Tax (hereinafter referred to as the "Municipal Cannabis Retailers' Occupation Tax Period"), the City shall, subject to any limitations detailed in Paragraph 5 of this Section G of this Agreement, rebate to the Operator twenty percent (20%) of the 3 percent (3%) Municipal Cannabis Retailers' Occupation Tax actually generated

from the Project and actually received by the City from the Illinois Department of Revenue (“IDOR”) (hereinafter referred to as the “Municipal Cannabis Retailers’ Occupation Tax Rebate”). The rebate provided for herein shall not include any part of sales, use, or service taxes imposed or collected by the State of Illinois and shared with the City.

3. The Municipal Cannabis Retailers’ Occupation Tax Rebate shall be paid by the City to the Operator in arrears within fifteen (15) business days after Municipal Cannabis Retailer’s Occupation taxes are received by City from Illinois Department of Revenue. The City shall not be obligated to pay to the Operator Developer any Municipal Cannabis Retailers’ Occupation Tax or any other funds or taxes of any nature whatsoever that are not actually paid to the City by IDOR for any reason whatsoever, including, but not limited to, the error or omission of IDOR (but the City will use its best efforts to collect funds owed the City by IDOR for this and other purposes).
  
4. **Sales Tax Returns:** The Developer and Operator agrees that as a condition precedent to City’s obligation to pay to the Operator any payments of any Municipal Cannabis Retailers’ Occupation Tax Rebate as provided for in this Agreement, the Developer and/or Operator shall provide to the City true and accurate copies of the Developer’s and/or Operator’s Illinois Retailer’s Occupation Tax and Service Occupation Tax returns, any and all other tax returns filed with IDOR evidencing the payment of the Municipal Cannabis Retailers’ Occupation Tax Rebate paid by the Developer or Operator to IDOR. The Developer shall also provide to the City a duly executed limited power of attorney in that form as required by IDOR authorizing IDOR to release to the City the Municipal Cannabis Retailers’ Occupation Tax returns and any and all other tax return or related data for the purpose of determining the exact amount of Municipal Cannabis Retailers’ Occupation Tax actually generated by the Developer and/or Operator from the Project and actually paid by the Developer and/or Operator to IDOR (but such limited power of attorney will state that it will automatically end on the expiration or any earlier termination of this Agreement). It is expressly understood, acknowledged and agreed that the failure of the Developer and/or Operator to provide to the City all retail sales tax returns for the Developer from the Project during the Term of this Agreement, upon notice and the failure to remedy the matters expressed in the notice with thirty (30) of Developer’s receipt of same, shall excuse the City from all of its obligations contained in this Paragraph 4 of this Agreement, including the obligation to make payment on the Municipal Cannabis Retailers’ Occupation Tax Rebate. The City shall keep all tax information provided to the City by IDOR strictly confidential and shall not disclose such information to any third party or to the public unless authorized in writing by the Developer and/or Operator, or directed to release such information by a valid final, unappealed and unappealable order from a court of competent jurisdiction (but the City will notify Developer and/or Operator

of any legal action in which such confidential information is being sought and if requested by Developer and/or Operator, will assist in joining Developer and/or Operator in such legal action) and will utilize the City's best efforts to secure a protective order first before releasing such confidential information). The City recognizes and agrees that said tax information is exempt from disclosure under Section 7(1)(g) of the Illinois Freedom of Information Act.

**5. Special Conditions:**

- a. The Developer and Operator at all times shall remain an Illinois limited liability company or a foreign limited liability company authorized to do business in Illinois in good standing as required by Illinois law and the failure of Developer or Operator to do so shall be considered a material breach of this Agreement and City shall be entitled to, in addition to any other remedy available at law or in equity, terminate this Agreement and discontinue any and all Municipal Cannabis Retail Occupation Tax Rebate payments to the Developer and/or Operator arising and accruing from and after the effective date of such termination.
- b. Operator shall at all times maintain in good standing a license issued by the State of Illinois authorizing the Operator to operate an adult use cannabis dispensary at the Project site. Lapse, suspension or revocation of such license shall be a material breach of this Agreement and City shall be entitled to, in addition to any other remedy available at law or in equity, terminate this Agreement and discontinue any and all Municipal Cannabis Retail Occupation Tax Rebate payments to the Developer and/or Operator arising and accruing from and after the effective date of such termination.
- c. If the Developer and/or Operator cease to operate the Project on the Property during the Term of this Agreement for a period in excess of three (3) consecutive months, the City shall be entitled, in addition to any other remedy available at law or in equity, to terminate this Agreement and discontinue any and all Municipal Cannabis Retail Occupation Tax Rebate payments to the Developer arising and accruing from and after the effective date of such termination.
- d. Beginning with the 19<sup>th</sup> month after Operator Completes Construction of the Project, City shall be entitled, in addition to any other remedy available at law or in equity, to discontinue the Municipal Cannabis Retail Occupation Tax Rebate for or during any month in which Operator fails to employ at least 20 full-time employees and 15 part-time employees in the operation of the Project. City shall provide written notice of its intentions to discontinue such Municipal Cannabis

Retail Occupation Tax Rebate and afford Operator 30 days in which to restore the number of full-time and part-time employees to the level set forth above. In the event Operator shall restore the number of full-time and part-time employees to the level required herein, City shall forego cessation of such payments. In the event Operator fails to restore the number of full-time and part-time employees to the level required herein within 30 days from the receipt of said notice, City shall cease payment of the Municipal Cannabis Retail Occupation Tax Rebate and shall not resume payment of the Municipal Cannabis Retail Occupation Tax Rebate until Operator shall restore the number of full-time and part-time employees to the level required herein and shall provide written proof of such employment to City. No interruption in the payment of the incentive shall extend the total number of months of the Municipal Cannabis Retail Occupation Tax Rebate Period.

**H. Limited Obligation of Municipality:** The Municipal Cannabis Retail Occupation Tax Rebate, or any other amounts due and payable to Developer and/or Operator pursuant to this Agreement, shall not be deemed a general obligation of the City, and the City shall have no obligation to pay the Developer any amount except for such Municipal Cannabis Retail Occupation Tax that is actually generated by the Project, actually paid by the Developer, Operator, or by any person, company, partnership, corporation, association or similar entity whose retail building or facility is located on the Property, to IDOR, and actually paid by IDOR to the City as provided for in this Agreement.

**I. Limited Liability of City to Others for Developer's Expense:** There shall be no obligation by the City to make any payments to any person on behalf of the Developer, nor shall the City be obligated to make direct payments to any contractor, subcontractor, mechanic, or material man providing services or materials to Developer for the Project. Developer shall neither grant nor suffer any liens of any type to be placed against the Incentive Payments provided for herein. Developer agrees to indemnify, save, and hold City harmless from any and all claims, demands, suits, liabilities, or expenses, including City's reasonable attorney's fees, arising out of or in any manner connected with any alleged breach by Developer in the performance of its obligations under this agreement or in any manner related to the Project; including obligations to third parties.

**J. Liability and Risk Insurance:**

1. Prior to commencement of construction, the Developer shall procure and deliver to the City at Developer's cost and expense, and shall maintain in full force and effect until each and every obligation of the Developer contained herein has been fully performed, and as more fully set forth in Exhibit 3 hereto, a policy or policies of comprehensive liability insurance. Each such policy shall contain an affirmative statement by the insurer to give written notice to the City at least thirty (30) days prior to any cancellation or amendment of its policy.

2. At all times during the term of this Agreement, Developer or Operator, at its cost and expense, shall procure and maintain a policy of Property Casualty insurance issued by a Company authorized to transact insurance business in the State of Illinois. Such policy shall be in an amount not less than the full replacement cost value of the improvements to the Property. Such policy or policies shall provide coverage for loss resulting from all forms of natural or manmade causes including, but not limited to, fire, wind, water, ice, earthquake, and vandalism. Developer shall furnish City with a certificate of such insurance as often as reasonably requested, but in no event less often than annually.

3. All construction contracts with Developer shall require the contractor to maintain builder's risk insurance not less than the full replacement value of the cost of the improvements. A copy of such policy shall be furnished to the City.

**K. Delay in Performance and Force Majeure:** For the purposes of any of the provisions of this Agreement, except with regard to payment of real property taxes as provided herein, neither the City nor the Developer or Operator, as the case may be, nor any successor in interest, shall be considered in breach of, or default in, its obligations with respect to the completion of the Project or progress in respect thereof, in the event of enforced delay in the performance of such obligation due to unforeseeable causes beyond its control and without its fault or negligence, including, but not limited to, acts of God, acts of the public enemy, acts of federal, state, or local government, acts of the other party, fires, floods, epidemics, quarantine restrictions, labor disturbances (including strikes or lockouts or concerted activities), embargoes, acts of nature, unusually severe weather or delays of subcontractors due to such causes, it being the purpose and intent of this provision that in the event of the occurrence of any such enforced delay, the time or times for performance of the obligations of the City or Developer or Operator with respect to completion of the Project, as the case may be, shall be extended for the period of the enforced delay. Provided, that the party seeking the benefit of the provisions of this Section shall within thirty (30) days after the beginning of any such forced delay, notify the other party of the cause or causes thereof, and request an extension of the period of enforced delay. Such extensions of the schedule shall be agreed in writing by the parties hereto. Neither party shall unreasonably withhold its consent to a reasonable request for extension.

**L. Assignment:** The rights and obligations of the Developer and Operator under this Agreement shall not be assignable without the prior written consent of City; which consent shall not be unreasonably withheld. No such assignment shall be deemed to release the assignor of its obligations to the City under this Agreement. Developer and Operator, without consent of City, may assign its rights and obligations under this agreement to a wholly owned subsidiary of Developer or Operator.

**M. 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 by said party pursuant to this Agreement.

**N. 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.

**O. 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 (3<sup>rd</sup>) 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 Developer  
Mari Holdings IL, LLC  
10 Oceana Way  
Norwood, MA 02062

To Operator:  
Allgreens Dispensary, LLC  
601 Sycamore Dr.  
Elk Grove Village, IL 60007

To City:  
City Clerk, City of Casey, Illinois  
City Hall  
101 W. Alabama Avenue  
P. O. Box 425  
Casey, IL 62420

With Copy to:  
Office of the Mayor  
City Hall  
101 W. Alabama Avenue  
P. O. Box 425  
Casey, IL 62420

And Copy to:  
Taylor Law Offices, P.C.  
c/o Tracy A. Willenborg  
122 East Washington Avenue  
P. O. Box 668  
Effingham, Illinois 62401

**P. Successors in Interest:** Subject to the provisions of Section L, above, this Agreement shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

**Q. 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.

**R. Developer's and Operator's Indemnification of the City:**

1. The Developer and Operator, its successors, and assigns, shall indemnify and save harmless the City, its officers, and employees against any and all loss, liability, suits, actions, causes of action or claims by or on behalf of any person, firm or corporation, arising:
  - a. From the conduct or management of or from any work or thing done at the Project or on the Property by the Developer and/or Operator or their successors and assigns;
  - b. Any breach or default on the part of the Developer and/or Operator or its successors and assigns in the performance of any of its obligations under this Agreement;
  - c. Any act of negligence or willful misconduct of the Developer and/or Operator or any of their agents, contractors, servants, employees or licensees;
  - d. Any act of negligence or willful misconduct of any assignee, lessee or sub-lessee of the Developer, Operator, or any agents, contractors, servants, employees or licensees of any assignee, lessee or sub-lessee of the Developer and/or Operator;
  - e. Any performance by the City of any act required under this Agreement or requested by the Developer, Operator, or any of their successors and assigns other than the willful misconduct or negligence of the City, its employees, agents, successors, and assigns; or,
  - f. Any violation by the Developer or Operator of state or federal law or regulation, including but not limited to, the Illinois Prevailing Wage Act, and applicable securities law in connection with the offer and sale of securities, interests, stocks or other similar instruments in the Developer or in any part of the Project or Property. The City makes no representation as to the applicability of the Illinois Prevailing Wage Act to the Project as a result of this Agreement, and the Developer shall make its own, independent investigation and determination as to the

applicability of such act, and the Developer hereby releases and discharges the City from any and all liability for any loss or liability arising out of any violation of the Illinois Prevailing Wage Act by Developer. If the Project is deemed to be subject to the Illinois Prevailing Wage Act, the Developer shall submit monthly certified payroll records to the City in compliance with Section 5 of the Illinois Prevailing Wage Act (820 ILCS 130/5).

2. The Developer, Operator, their successors and assigns, shall indemnify and save harmless the City from and against any and all costs and expenses incurred in or in connection with any such loss, liability or claim arising as aforesaid or in connection with any action or proceeding brought therein. In case any such claim shall be made or action brought based upon any such claim in respect of which indemnity may be sought against the Developer and/or Operator, upon receipt of notice in writing from the City setting forth the particulars of such claim or action, the Developer and Operator shall assume the defense thereof, including the employment of counsel and the payment of all attorney fees, costs and expenses. The City shall have the right to employ separate counsel in any such action and to participate in the defense thereof, but the fees and expenses of such counsel shall be at the expense of the City unless the employment of the counsel has been authorized by the Developer or Operator.

**S. No Personal Liability of City Officials:** There shall be no personal liability on the part of any elected or appointed official, employee or agent of City arising out of or in any manner connected with this Agreement or with the obligations of City hereunder.

**T. No Conflict of Interest:** No member of the Corporate Authorities of the City nor any employee or consultant employed by City shall have any interest in the Property or the Project that is the subject of this Agreement.

**U. Entire Agreement:** This Agreement shall be deemed to set forth the full and complete understanding and agreement of the parties hereto relating to the subject matter hereof as of the date first above stated, and supersedes any and all negotiations, agreements and representations made or dated prior thereto. This Agreement shall be binding upon and shall inure to the benefit of the parties hereto, and their respective successors and assigns. Subsequent to the date hereof, this Agreement may be supplemented, modified or otherwise amended by mutual agreement of the parties hereto. Such supplements, modifications or amendments, if any, must be in the form of a written amendment to this Agreement, and signed by authorized representatives of all parties to this Agreement.

**V. Good Faith:** The parties to this Agreement shall act in accordance with the principles of good faith and fair dealing in the performance of this Agreement. Unless expressly provided in this Agreement that a party may exercise its sole discretion with respect thereto, where the Agreement requires the consent, approval, or similar action by a

party, such consent or approval shall not be unreasonably withheld, delayed, or conditioned.

**W. Remedies:** Either party may seek to enforce the terms and conditions of this Agreement pursuant to any and all remedies available at law or in equity. The prevailing party in any lawsuit filed to enforce this Agreement shall be entitled to recover as additional damages any and all reasonable costs, expenses, and attorney's fees incurred in connection therewith. The Developer, Operator, and the City hereby expressly consent to the non-exclusive jurisdiction of the Circuit Court of the Fifth Judicial Circuit, Clark County, Illinois, and any and all lawsuits filed to enforce this Agreement may be filed in this forum by either party (subject to any right(s) of removal to a federal court).

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

City:

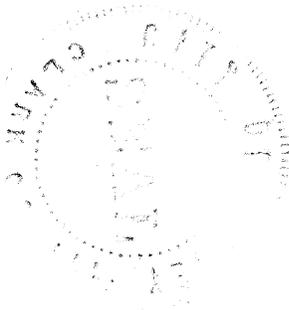
City of Casey, Illinois,  
an Illinois municipal corporation,

By: Michael E. Nichols  
Michael E. Nichols, Mayor

ATTEST:

Jeremy Mumford  
Jeremy Mumford, City Clerk

(SEAL)



Developer:

Mari Holdings IL, LLC,  
a Massachusetts limited liability company,

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

Title: \_\_\_\_\_

Operator:

Allgreens Dispensary, LLC,  
an Illinois limited liability company

By: \_\_\_\_\_

Printed Name: \_\_\_\_\_

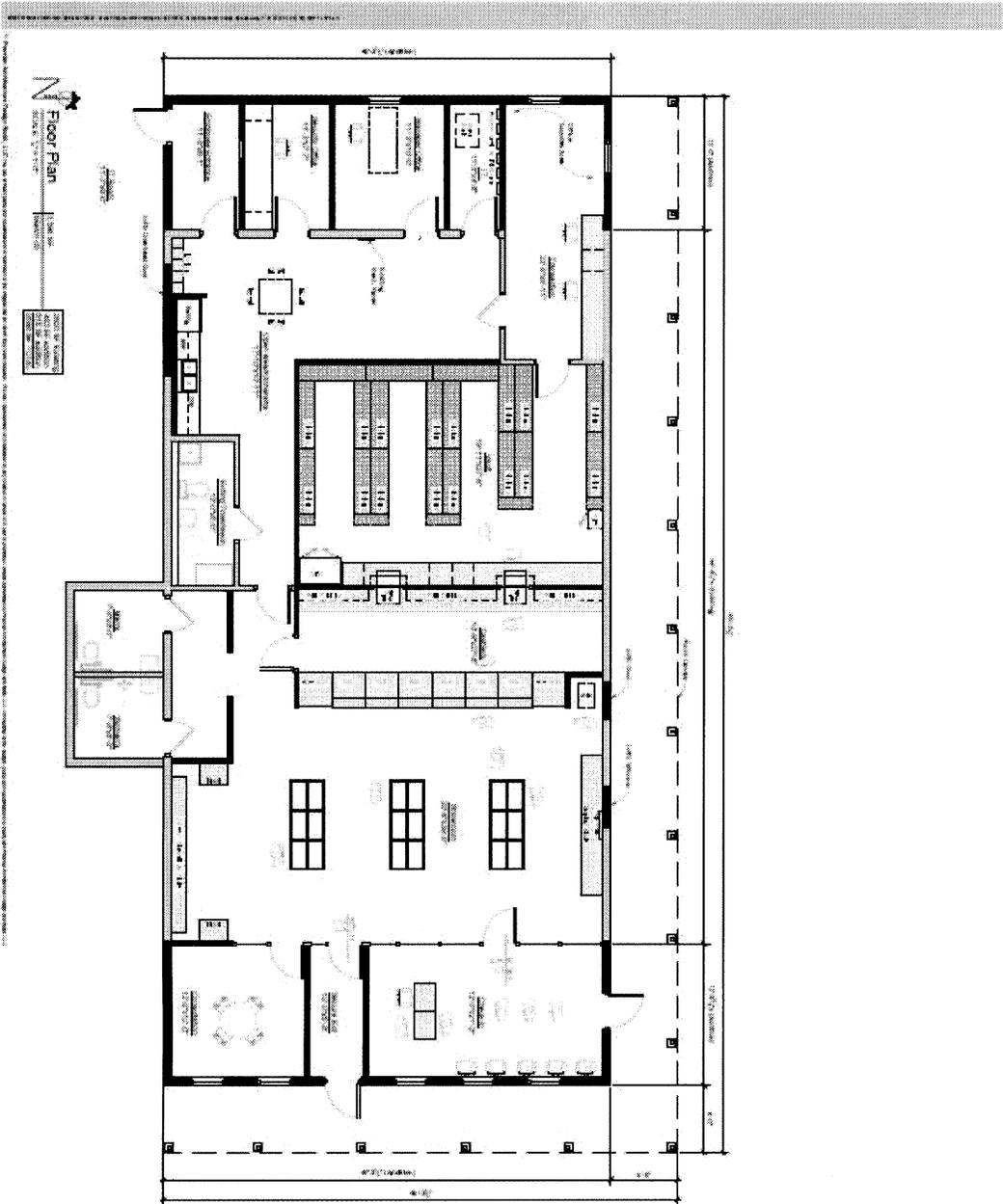
Title: \_\_\_\_\_

**EXHIBIT 1**  
**(Property Description)**

Part of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of Section Seventeen (17), Township Ten (10) North, Range Fourteen (14) West of the Second Principal Meridian, described as follows: Commencing at the Northeast corner (NE/c) of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of said Section Seventeen (17); thence West along the North line of the Southwest Quarter (SW<sup>1</sup>/<sub>4</sub>) of said Section Seventeen (17) for 691.5 feet; thence South 29 degrees 08 minutes West along the right of way line of Illinois Route 49 for 1116.25 feet to the Place of Beginning; thence South 82 degrees 12 minutes 40 seconds East for 365 feet; thence South 5 degrees 50 minutes 25 seconds West for 309.80 feet; thence South 89 degrees 48 minutes West for 380 feet; thence North 0 degrees 38 minutes East for 275 feet; thence North 29 degrees 08 minutes East along the right of way of Illinois Route 49 for 96.25 feet to the Place of Beginning, according to Plat of Survey dated October 3, 2000 and recorded October 20, 2000 in Plat Book 7, Page 294 as Document No. 40072 made by Charles J. Becher, Illinois Professional Land Surveyor No. 1957; situated in Clark County, Illinois.

Parcel Identification Number: 03-11-17-00-300-037

# EXHIBIT 2 (Project)



**Floor Plan**  
 1/2" = 1'-0"  
 1/8" = 1'-0"  
 1/16" = 1'-0"

10

Project Title  
 912 IL-49, Casey, IL 62420

Document Date  
 1/15/2015  
 Document Phase  
 Architectural Design

Project Title  
 912 IL-49, Casey, IL 62420

PRELIMINARY ARCHITECTURE  
 CONCEPTUAL ONLY  
 FINAL DESIGN SHALL  
 COMPLY WITH ALL LOCAL  
 LAWS

PRELIMINARY ARCHITECTURE

**EXHIBIT 3  
(Insurance Schedule)**

Developer agrees to procure and maintain throughout the term of this at its sole cost and expense, the following insurance coverages:

**1. Property:**

Property Coverage will be provided with a limit of \$2,000,000.

**2. Commercial Auto Coverage:**

Auto Liability limits of not less than \$1,000,000 each accident, combined Bodily Injury and Property Damage Liability insurance including but not limited to owned autos, hired or non-owned autos.

**3. Commercial General Liability:**

The limits of liability shall not be less than:

Each Occurrence Limit	\$1,000,000
Personal Advertising Injury Limit	\$1,000,000
Products/Completed Operations	
Aggregate Limit	\$1,000,000
General Aggregate Limit	\$1,000,000
Premises Damage	\$1,000,000

**4. Umbrella policy covering property, auto, and Commercial General Liability with limits of not less than \$2,000,000.**