



Village of Hampshire

234 S. State Street, Hampshire, IL 60140

Phone: (847) 683-2181 ■ www.hampshireil.org

COMMERCIAL DEVELOPMENT GUIDE

This Commercial Development Guide can be used to understand the development process in the Village of Hampshire from first contact to project completion. It includes information on meetings, zoning, permitting, and fees along with many other subtopics. The sections are arranged chronologically in three main sections with fee tables and other attachments at the end and links to other documents and applications throughout.

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I. Introduction

A. Welcome to Hampshire

The Village President, Board of Trustees, and staff are delighted at your interest in commercial development in Hampshire. It is an exciting time in Hampshire as the 2020 U.S. Census showed that Hampshire is one of the top 10 fastest growing communities in Illinois, evident from the high level of both residential and commercial development that continues to flourish. This growth is further stimulated by the elected officials' desire to be developer-friendly throughout the process. Recent actions the Village Board has taken to this effect include combining the Plan Commission and Zoning Board of Appeals into one body to allow for a more streamlined zoning review process, switching outsourced building services to SAFEbuilt, LLC to provide more prompt and user-friendly permit process including the use of a new best-in-class online permitting software, and revising water and sewer connection fees to allow for a more cost-effective fee structure for multifamily developments. Village staff continues to re-engineer development processes in Hampshire to remove unnecessary steps and provide more transparency to the process. Please see staff contact information below to know who you should contact regarding questions throughout your development.

Welcome to Hampshire!

B. Contacts

Throughout the development process, Village staff aims to be helpful with any questions or concerns you may have. Please use the contact list below to decide which person is most appropriate to reach out to regarding your development questions/concerns.

Asst. VM for Development - Mo Khan
234 S. State St, Hampshire, IL 60140
mkhan@hampshireil.org
O: (847) 683-2181 ext. 28

Mr. Khan will guide you through any land use processes and is the general contact for the entire development process. Always feel free to reach out to Mr. Khan if you are not sure who to go to or have any issues.

Village Manager - Jay Hedges

234 S. State St, Hampshire, IL 60140
jhedges@hampshireil.org
O: (847) 683-2181 ext. 26
C: (312) 550-9641

Mr. Hedges leads the Village's staff and often leads negotiations in larger developments. Always feel free to reach out to Mr. Hedges with any problems you face during your development.

Finance Director - Lori Lyons

234 S. State St, Hampshire, IL 60140
llyons@hampshireil.org
(847) 683-2181 ext. 25

Mrs. Lyons participates in the development process regarding deposits, billing, insurance, and bond requirements.

Village Attorney - Jimmy Vasselli

Ottosen DiNolfo Hasenbalg & Castaldo
1804 North Naper Blvd. Suite 350
Naperville, Illinois 60563
jvasselli@ottosenlaw.com
(630) 682-0085

Mr. Vasselli provides legal support throughout the development process including the establishment of SSAs and the preparation of development/ annexation agreements if needed.

Village Engineer - Tim Paulsen

Engineering Enterprises Inc.
52 Wheeler Road, Sugar Grove, IL 60554
tpaulson@eeiweb.com
(630) 466-6727

Mr. Paulsen is the Village's primary contact for all engineering services, including site plan review, pre-construction permitting/approvals, and construction of public improvements.

Building Official - Keith Rooney

SAFEbuilt
krooney@safebuilt.com
(262) 226-0206

SAFEbuilt leads building permitting and inspections in Hampshire, generally not starting until site work and public improvements are complete.

II. Pre-Construction

A. First Contact

First contact for commercial development projects should be made with Village staff who will meet with you to understand the project and walk you through next steps with staff and public bodies as applicable.

Mo Khan, Asst. Village Manager for Development

234 S. State St, Hampshire, IL 60140

mkhan@hampshireil.org

O: (847) 683-2181 ext. 26

Pre-Submittal Meeting

If appropriate, staff may ask for a meeting prior to submitting a zoning petition or engineering plans to discuss any concerns with the project or the development process. This meeting may also include staff from other government entities, such as the Hampshire Fire Protection District. You may also decide to use this meeting as an opportunity to ask your questions about the development process, Village codes and requirements, etc. At this point, you will also be asked to file a Developer's Agreement ([Appendix A](#)) acknowledging that you will reimburse all professional fees incurred by the Village related to your project. A \$5,000 deposit is generally required at this point.

Pre-Submittal Presentation

For development projects requiring Village Board approval, you will be offered the opportunity to give a brief presentation to the Board before beginning the development process. There are no specific requirements for the presentation, but staff recommends providing background on the company and the project including a location map, basic site plan/sketch, and conceptual renderings if possible. You should be prepared to receive basic questions related to community impacts, traffic, environmental concerns, job creation, etc. This step allows the trustees to ask questions and share feedback to you and to our staff before you invest significant resources into the development process and without the stress of a vote that night. Village Board meetings take place at 7:00 PM on the 1st and 3rd Thursday each month at Village Hall, 234 S State St. in Hampshire.

B. Land Use Review

If the property to be developed is not yet annexed to the Village, needs to be subdivided, and/or needs zoning relief for your intended uses, you will first proceed through zoning review process. Please use the [Land Use Application Packet](#) to further understand this process, including the necessary documentation, public notices, and deadlines.

Process Overview

All applications for annexation and/or zoning relief will require this basic three-step process. Subdivision of property requires multiple stages of this process as described in the Subdivision of Land section below.

1. Staff review: Applications and supporting documents are sent to staff for engineering, zoning, and legal review as needed. Staff may make comments for required/suggested changes, and annexation/development agreements will be negotiated.
2. Planning and Zoning Commission: The PZC receives the application and supporting documents and convenes for a public hearing and review of the petition. Once the date for this meeting is set, any required public notices must be made between 15 and 30 days prior to the meeting date. The PZC votes to recommend approval, disapproval, or conditional approval, sending the matter to the Village Board. The PZC meets at 7pm on the 2nd and 4th Mondays of each month as needed.
3. Village Board: The Village Board receives the application and supporting documents along with the recommendation from the PZC and votes to approve, disapprove, or conditionally approve the matter. Approval may be conditional. The Village Board meets at 7pm on the 1st and 3rd Thursdays of each month.

Note that large-scale business developments may have special processing requirements as described in [Chapter 6, Art. XVII of the Village Code](#).

Annexation/Development Agreement

All annexations will require a petition for annexation and will generally require an annexation agreement. The annexation agreement can range from very simple to very complex depending on the project and the desires of the developer. Generally, annexation

agreements may include provisions for zoning and land use, public improvements, signage, fees, and may provide for any relief from Village requirements, development fees, public improvements, signage, etc. The village attorney will be your primary contact for creation of this agreement.

If your development property is already annexed, a development agreement describing any negotiated terms of development and building may still be appropriate. If you desire such an agreement, please inform the village manager early in the development process.

For any annexation/development agreement, a public hearing must be held before the Village Board. Notice of such hearing must be completed between 15 and 30 days prior to the hearing date. The Village Board will then vote to approve, modify, or disapprove the proposed agreement.

Subdivision of Land

If a property needs to be subdivided to create multiple lots, the Land Use Application should include a request for subdivision. The subdivision process includes three stages, each with a meeting before the Planning and Zoning Commission and a meeting before the Village Board:

1. Concept Stage - basic site plan and location information.
2. Preliminary Stage - public hearing, initial engineering plans, and preliminary plat.
3. Final Stage - final engineering plans and final plat (must be substantially the same as the preliminary plans).

Please review the [Land Use Application Packet](#) and the [Village's subdivision regulations](#) for more information on this process and the specific requirements for submittal at each stage.

Recording: After the final plat is approved, it must be recorded with Kane County by the applicant. NOTE: The required performance guarantee for public improvements must be on file with the Village before the village engineer can sign the plat.

Types of Zoning Relief

Rezoning - changes to the zoning of the property. Ex: changing a crop field from F1 Farming

to M2 General Industrial.

Special Use - approval for a specific use listed as an allowable "special use" a zoning district with the potential for conditions to be put on the use by the Village. Ex: allowing a recycling center in the M2 industrial district but only if all storage of materials and all operations are conducted indoors.

Variance - approval for a deviation from the zoning code due to a specific hardship that makes the code unfair to the property in question (does not include financial hardship). Ex: allowing a 100 ft highway sign, rather than 80 ft, in an area that has lower topography.

Text Amendment - changes the provisions of the zoning code to allow for specific needs of your development that the Village agrees will be relevant in future developments. Ex: adding a new permitted use to the M1 industrial district.

Timeframe for Approvals

Theoretically, annexation, subdivision, and zoning can be accomplished in 45-60 days. However, we often find that the developer's effort to draft engineering plans and other documentation extends this timeframe. Delays to this timeframe may include lack of required documentation when submitting plans, not meeting public notice deadlines, and negotiating an annexation/development agreement.

Example Approval Process

Keep in mind that multiple land use requests may take place concurrently. For example, a property requiring annexation, subdivision, and a special use would move through the following steps:

1. Staff review of initial plans
2. Concept stage for subdivision
 - a. Concept presentation at Planning and Zoning Commission meeting
 - b. Concept presentation at Village Board meeting
3. Negotiation of annexation agreement and staff review of preliminary engineering plans and plat (varies)
4. Preliminary stage for subdivision
 - a. Public hearing for subdivision, proposed zoning, and special use at Planning and Zoning Commission meeting

- b. Village Board approval
- 5. Staff review of final engineering plans and plat
- 6. Final stage for subdivision
 - a. Final presentation at Planning and Zoning Commission meeting
 - b. Public hearing for annexation agreement and passage of annexation, subdivision, zoning, and special use at Village Board meeting

C. Other Zoning Matters

Unless otherwise agreed to in an annexation/development agreement, you must adhere to all regulations in the Village code. Several areas of zoning regulations have been highlighted below, but the list is not intended to be an all-inclusive set of regulations.

Parking

Parking and loading area regulations are provided in the Zoning Regulations under [Off-Street Loading and Parking](#). Please reference this code section to determine the number of spaces required for your use as well as specific requirements for sizes, screening, and surfacing. All loading and parking areas must be constructed with an all-weather, dustless material, generally concrete or asphalt.

Screening

Screening requirements for general business on your property will vary depending on zoning classification, so please reference your applicable zoning regulations for current requirements. Generally, operations and materials storage in [business districts](#) are required to be indoors. Generally, operations [industrial districts](#) are required to be indoors, but materials storage may be outdoors if effectively screened. Off-street parking may generally be outdoors but must be effectively screened.

Tree Preservation and Landscaping

All sites requiring site plan review must submit a landscape plan completed by a landscape architect. Requirements for submittal and design criteria are provided in the Building Regulations under [Trees and General Landscaping Requirements](#). Note that removal of trees

4" or larger from a site requires a tree removal permit in accordance with this code section. Replacement trees or payment in lieu of replacements will be required depending on the types of trees to be removed.

Outdoor Lighting

All new sites are required to conform to the illumination and height standards set forth in the zoning code, including submittal of a photometrics plan to the village engineer for review and approval. This plan should be submitted with other engineering plans prior to grading or construction.

D. Pre-Construction Meeting

Once the necessary pre-construction approvals/processes are complete, the Village will host a pre-construction meeting before project kick-off. This meeting is led by the Village Engineer and may include other Village staff as needed. Generally, the project developer and the contractor are present, though the meeting is open to anyone on your team to attend.

Topics covered generally include:

- Permitting
- Subcontractors
- Construction Schedule
- Utilities
- Observation/Inspections
- On-Site Contacts
- Traffic Control
- Earthwork and Erosion Control
- Restoration and Landscaping
- Punch Lists and Closeout

E. Engineering Reviews and Permits

After any required zoning procedures are complete, the next submittal will be for engineering plans. If the property was subdivided, much of the engineering for the site will already be completed and approved, so you will work with the Village's engineers on what other plans need review. Additional reviews/permits may be needed as directed by the village engineer, which may include but are not limited to:

- Village Stormwater Permit
- Village ROW Permit
- Kane-DuPage SWCD LUO
- KDOT Access/ROW Permit
- Traffic Impact Study
- IDOT Highway/Utility Permit

- IDNR Environment/Wildlife Review
- SHPO Cultural Review
- IEPA Water Permits
- Wetland Impact Study

While the Village does not issue an actual grading permit, approval for mass grading will be given by the village engineer. See the [Public Works & Engineering Permits page](#) on the Village’s website for details about these permits.

Engineering approvals/permits do not constitute approval for construction of buildings or other structures. Building permits are a separate process that can be done entirely online. Please see the [Building Permits](#) section for more information. Building permits may be sought concurrent to or after engineering approval/permits depending on the project.

F. Recapture Agreements

Recapture agreements allows developers the ability to recoup some investment in public improvements if they will benefit other properties in the future. Developing a recapture agreement will generally require an engineering study approved by the village engineer followed by a legal agreement approved by the Village Board. Please contact the village attorney to inquire about a recapture agreement for your project.

G. Performance Guarantees for Public Improvements

All public improvements, including grading, must have a performance guarantee posted before construction. NOTE: In the case of subdivisions, the performance guarantee must be on file with the Village before the village engineer can sign the plat of subdivision.

Final engineering plans must include an engineer’s estimate of probable construction costs (EOPCC) that must be approved by the village engineer. The required performance guarantee, which can be a cash, letter of credit, surety bond, or letter of commitment issued by a bank or insurance company, will be equal to 125% of the approved estimate.

The performance guarantee is filed with the village finance director who is available to answer any questions regarding specific requirements (see [Appendix B](#) for an example letter of credit). Standard requirements include:

- Any letter of credit or commitment or any surety bond must include language that

refers both to “performance” of the contract requirements and to “payment” of all subcontractors and materialman.

- Any letter of credit or commitment or any surety bond must provide that 30 days’ advance notice be given to the Village before expiration of the security will occur.

Reductions in the amount of a performance guarantee are generally approved by the Village Board as work is satisfactorily completed. More information about reductions is available in the Performance Guarantee Reductions section of this packet.

Special Note on Bonds

Note that bonds are often issued on a standard form utilized by the bonding company, and a Rider may be required to address the necessary clauses provided in the example letter of credit in [Appendix B](#). Bonds must be for both performance and payment, in accordance with the Illinois Construction Bond Act. The Act provides:

The amount of the bond shall be fixed by the officials, boards, commissions, commissioners or agents, and the bond, among other conditions, shall be conditioned for the completion of the contract, for the payment of material used in the work and for all labor performed in the work, whether by subcontractor or otherwise.

The principal and sureties on this bond agree that all the undertakings, covenants, terms, conditions and agreements of the contract or contracts entered into between the principal and ... any political subdivision thereof will be performed and fulfilled; and to pay all persons, firms and corporations having contracts with the principal or with subcontractors, all just claims due them under the provisions of such contracts for labor performed or materials furnished in the performance of the contract on account of which this bond is given when such claims are not satisfied out of the contract price of the contract on account of which this bond is given and after final settlement between the officer, board, commission or agent of the State or of any political subdivision thereof and the principal has been made.

Although each such bond is deemed to contain the above provision (whether such provisions are inserted in such bond or not), the Village prefers a specific reference in the documents to both performance and payment obligations of the developer.

Additionally, the Village requires surety bonds be issued by a certified company. Please review the U.S. Dept. of Treasury's [list of certified companies](#).

H. Deposit for Nuisance Abatement

The Village requires a \$5,000 deposit for nuisance abatement meant to provide the Village with the means to correct any nuisance that may arise from the property if the developer fails to do so in a timely manner, such as failure to remove debris from a street or sidewalk during excavation and grading. Please submit the deposit to the village finance director at Village Hall.

I. Insurance

The Village requires a certain level of insurance to be carried throughout the construction of public improvements. The village finance director will provide the specific insurance requirements necessary at the time of your project.

J. Back-Up SSA

The Kane County Stormwater Ordinance, adopted by the Village, requires a back-up (or dormant) special service area to provide for the maintenance of a development's stormwater management facilities in the event the benefiting property owners fail to do so properly. It allows the Village to levy a property tax against the properties to raise funds to complete necessary work. If the benefiting properties provide for proper care of the stormwater facilities, normally through an association created by the developer, a levy will never be needed.

The village attorney will start the two-step process for establishing a back-up SSA after all land use entitlements are completed and the village engineer has approved the applicable engineering plans. Other than mass grading, no engineering or building permits will be approved prior to the establishment of the required back-up SSA.

III. Construction

A. Site Work

Work Progress

Site work may progress as approved by the applicable engineering review and permits. Any work done in advance of approval will be subject to penalties and may require reconstruction. Any questions related to site progress and approval should be directed to the village engineer.

Observation and Inspections

The Village's engineers will be on-site for project observation and inspection of work as needed. Please schedule inspections with the village engineer at least 48 hours before the date requested.

Working Hours

Working hours in the Village for commercial projects are 6:00 AM to 8:00 PM on Monday through Saturday. If additional working hours are desired for a specific need in the construction process, you may make a written request to the village manager for a special permit that identifies the day and time and for what purpose you would like to have work open.

Water Meters

If a temporary connection to Village water is required for construction, to settle dust during grading for example, a water meter provided by the Village must be attached, and you will be billed for usage and the standard water rate. A \$1,500 deposit is required. You will submit the deposit and pick-up the meter at the Utilities Dept. located at 350 Mill Ave. in Hampshire. Any portion of the \$1,500 not spent on water usage will be reimbursed after the meter is returned. Please coordinate meter pick-up with Utilities Supervisor Mark Montgomery, mmontgomery@hampshireil.org.

B. Water and Sewer Connections

Village Regulations

Connections to water and sanitary sewer are governed by [Chapter 8: Water and Sewer](#) in the Village Code. Please note that a licensed plumber must perform the connections, and such work must be observed/inspected by the building department.

Permit Required

A water/sewer connection permit must be obtained with SAFEbuilt prior to connection unless already included as part of a new commercial building permit. Please see the [Building Permits](#) section of this packet for more information on how to obtain a permit.

Fees

There are no tap-on fees for public improvements to the water and sewer infrastructure, but there are connection fees for individual service lines. See the [Fees & Deposits](#) section below.

C. Building Permits

Permit Applications

The Village contracts building department services through SAFEbuilt and utilizes their online permitting system CommunityCore. When you are ready to apply for a building permit, you or your contractor will first [create a CommunityCore account](#). Once your account is set up, you may apply for permits as needed, view the progress of your plan review, access documents, pay fees, and schedule inspections all online. To inquire about anything related to your permit application, please contact our SAFEbuilt permit technician at ilinspections@safebuilt.com or (847) 510-4104.

Inspections

The number of inspections required for a commercial development vary but generally include at least a rough and final inspection for:

- Foundation/Footings
- Framing
- General Building
- Fire Warning/Suppression Systems
- Electrical
- Mechanical
- Plumbing
- Energy

If any inspection is failed, a reinspection will be needed and will be added to the fees to be paid in CommunityCore. To schedule inspections, please do so via your CommunityCore account, or you may contact our permit technician at ilinspections@safebuilt.com or (847) 510-4104

Building Codes

The Village currently adheres to the 2006 editions of the International Code Council's set of codes in addition to the 2005 National Electric Code and the State of Illinois required codes for plumbing, energy conservation, and accessibility. To view a full list of the Village's development-related codes with links, visit the [Building and Development Codes webpage](#).

D. Performance Guarantee Reductions

As your project progresses through public improvements, the performance guarantee may be reduced periodically. To request a reduction, please contact the village engineer who will notify you of what documentation is needed for your project. Upon submittal of all required documentation, the village engineer will prepare a letter of recommendation for an appropriate reduction that is presented to the Village Board for approval. Generally, 10% of each proposed reduction will be kept until project completion to ensure final punch list requirements are met.

IV. Ending Construction

A. Site Punch List

As a project nears completion, the village engineer will prepare a punch list that outlines the remaining tasks to be complete, such as include grading corrections or removal of garbage/debris. A portion of the performance guarantee will be held until the punch list is complete.

B. Acceptance of Public Improvements

Upon completion of construction and inspections of public improvements, you will submit for the Village to accept the improvements. To do so, please notify the village engineer who will notify you of what documentation is necessary for your specific public improvements, generally a plat of dedication and a grant of easement. When ready, the Village Board will approve the acceptance and the subsequent release of the performance guarantee.

C. Building Occupancy

Upon completion of construction of buildings and other structures, and assuming all life and safety provision are satisfactorily in place, the building department and fire protection district may issue a temporary certificate of occupancy pending the completion of a building punch list. If a TCO is sought, a \$2,500 deposit will be required to ensure completion.

Once all tasks on the building punch list are complete, a final certificate of occupancy will be issued, and the TCO deposit will be reimbursed. There are no fees for temporary or final certificates of occupancy.

V. Fees & Deposits

Please note that, while the Village's finance department will make every effort to track your project's deposits and guarantees, it is your responsibility to ensure that the Village has made all reimbursements at project completion. Please contact the village finance director with any questions or concerns.

A. Professional Fees

The Developer's Agreement (see Appendix A) provides that the developer is responsible for all professional fees incurred throughout the project. The Village's finance department will draw down on deposits on file as appropriate and will notify you when additional deposit is required. A statement of charges will be provided to you periodically detailing the professional fees incurred to that point and potentially requesting payment. At the end of your development, all remaining deposited funds will be reimbursed.

B. Land Use Application Fees & Deposits

Please see the [Land Use Application Packet](#) for the current schedule of applicable fees and deposits related to annexation, subdivision, and zoning relief.

C. Engineering Permit/Approval Fees

Standard Deposit for Fees:	\$5,000
Performance Guarantee:	125% of the approved EOPCC
Nuisance Deposit:	\$5,000
Mass Grading Approval:	Professional fees for review
Engineering Plan Approval:	Professional fees for review
Stormwater Permit:	\$250
ROW/Utility Permit:	\$75 plus professional fees for review

Note there may be additional permits/approvals required from other government agencies.

D. Building Permit Fees

Please view the [current building fee schedule online](#). A spreadsheet tool is also provided to quickly estimate the permit fees for a new commercial building.

E. Water & Sewer Connection Fees

Water and sewer connection fees are assessed based on the size of the water meter to be installed, as follows:

Size of Meter	Water Connection Fee	Sewer Connection Fee
1"	\$1,200	\$3,000
1.5"	\$1,500	\$5,000
2"	\$2,500	\$7,000
3"	\$3,750	\$10,500
4"	\$5,600	\$14,000
5"	\$6,250	\$17,500
6"	\$7,500	\$21,000
Each 1" above 6"	Additional \$1,250	Additional \$3,500

F. Impact and Transition Fees

Kane County Dept. of Transportation administers a county impact fee. More information is available on the [KDOT website](#). No other local governments currently assess impact or transition fees on commercial projects (Note: A fire classification fee is assessed with the building permit fees on behalf of the Hampshire Fire Protection District).

VI. Village Codes

The Village Code of Ordinances, including zoning regulations, general building regulations, and regulations regarding public ways and property, is [available online for your review](#).

Additionally, the Village has adopted the codes required by the State of Illinois and the 2018 ICC building codes (with amendments), also [available on the Village website](#):

The Village has also adopted the [Kane County Stormwater Ordinance](#) and follows all appropriate government regulations.

Appendix A - Developer's Agreement

Developer's Agreement with Respect to Development Fees and Deposits

The undersigned Developer acknowledges that he/she/it intends to pursue development work with the Village of Hampshire, and further, agrees that the he/she/it will reimburse the Village for all professional fees incurred for engineering, legal, consultant, and other outside services performed for development.

The Developer also is required to, and hereby does, submit a deposit, to be held by the Village to secure reimbursement of such funds as applicable. Said deposit shall be held as security for payment of fees and will be applied by the Village to payment of such fees upon default by Developer. Any balance remaining, after payment of all such fees, including reasonable attorney fees and court costs incurred by the Village in discussing, negotiating, or enforcing the terms of this Agreement, shall be returned to Developer. Any interest earned on funds on deposit shall accrue to the Village.

By:

Name

Title

Signature

Date

RECEIPT OF INITIAL DEPOSIT ACKNOWLEDGED BY VILLAGE STAFF:

Signature

Date

Appendix B - Letter of Credit Example

IRREVOCABLE STANDBY LETTER OF CREDIT NO. AA-XXXXX

(To be on Letterhead of Issuer)

[DATE]

BENEFICIARY: VILLAGE OF HAMPSHIRE
APPLICANT: [DEVELOPER]
AMOUNT: USD \$ XXX,XXX.XX (Amount here in words, US Dollars)
EXPIRATION DATE: [DATE] AT OUR COUNTERS - [usually, one year after issue].

RE: [the "PROJECT" - referring here also specifically to the plans for the Project by Name of Project, Name of Engineer who prepared plans, and date of plans]

Gentlemen:

We hereby establish our Irrevocable Standby Letter of Credit No. AA - XXXXX in favor of the Village of Hampshire at the request and for the account of [Applicant] in an aggregate amount not to exceed the Amount set forth above.

This Letter of Credit is available by your draft(s) drawn at sight on [Name of Issuer] duly and manually signed and marked: "Drawn under [Name of Issuer] Letter of Credit No. AA - XXXXX, dated _____, 20__" when accompanied by the original of this Letter of Credit and all original amendments, if any, and the following document(s):

Beneficiary's certificate duly and manually signed and dated by an authorized officer signing as such on its letterhead reading exactly as follows:

"(i) the amount represented by the draft accompanying this statement is the amount required to be paid to the Beneficiary on account of the default of [Applicant] to construct and/or to pay for the public improvements described on the plans for the

Project; (ii) that [Applicant] has been given written notice by [Beneficiary] describing the event or condition of such default in reasonable detail by personal delivery or by certified mail, return receipt requested; and (iii) the default has not been cured within the allowed cure period, if any.”

This Letter of Credit expires on [Date]; provided, however, that we shall send notice to the village clerk by certified mail, return receipt requested or by overnight courier, at least thirty (30) days prior to said expiration date; and, in no event shall this Letter of Credit expire except upon such prior written notice, it being expressly agreed by us that the expiration date shall be extended as shall be required to comply with this notice provision.

We hereby agree that this Letter of Credit shall remain in full force and effect and pertain to any and all amendments or modifications which may be made from time to time to the plans, specifications and agreements for the Project.

This Letter of Credit sets forth in full the terms of our undertaking and such undertaking shall not in any way be modified, amended, amplified or limited by reference to any document, instrument or agreement referred to herein or in which this Letter of Credit is referred to or to which this Letter of Credit relates, and any such reference shall not be deemed to incorporate herein any such document, instrument or agreement.

We hereby engage with Beneficiary that all sight drafts drawn under and in conformity with the terms and conditions of this Letter of Credit will be duly honored if drawn and presented for payment together with the documents required herein to [Name of Issuer + address], if presented before our close of business on or before the expiration date. Presentations may be made in person; by registered or certified mail, return receipt requested; or by delivery by Federal Express or any other nationally recognized courier company.

If a demand for payment made by the Beneficiary does not in any instance conform to the terms and conditions of this Letter of Credit, we shall give you prompt notice thereof stating the specific reasons therefor and that we are holding any documents at your disposal or returning the same to you unpaid. Upon being notified that the proposed demand for payment was not

deemed to be in conformity with the terms of this Letter of Credit, Beneficiary may attempt to correct any such non-conformity and re-submit the demand for payment, to the extent it is able.

This Letter of Credit is subject to the International Standby Practices 1998, International Chamber of Commerce - Publication No. 590 ("ISP 98").

Very truly yours,

ISSUER

Authorized Signer

Title