

EXHIBIT B
RESTRICTIVE COVENANTS

COUNTY OF LAKE

PIN(S):

07-14-300-011 (940 Kilbourne Road, Gurnee, Illinois, 60031)

07-14-300-018 (940 Kilbourne Road, Gurnee, Illinois, 60031)

07-14-300-022 (900 Kilbourne Road, Gurnee, Illinois, 60031)

That the aforescribed real property was acquired by the County of Lake ("COUNTY") from the Board of Education of Gurnee School District ("DISTRICT") through the State of Illinois, Illinois Department of Commerce and Economic Opportunity "IKE" Disaster Recovery Program ("IDRP"), subject to specific restrictive covenants that said real property was and is dedicated in perpetuity for open space public use and purposes, and that said restrictive covenants run with the land.

WHEREAS, The IDRP made funds available for the purpose of implementing measures to alleviate disaster risk for the flood-prone Gurnee Grade School-District 56 IDRP funds were used to acquire the property in an effort to protect students and faculty and property from harm and damage due to flooding. All structures on the acquired property were demolished and cleared in order to convert the property to permanent "green space" and to eliminate future flood damage claims on the property.

WHEREAS, The Robert T. Stafford Disaster Relief and Emergency Assistance Act, (The Stafford Act"), 42 U.S.C. §5121 et. Seq., identifies the use of mitigation grants under §5133, to assist States and local governments in implementing cost-effective hazard mitigation measures to reduce injuries, loss of life, and damage and destruction of property.

WHEREAS, the mitigation grant program provides a process for a local government, through the STATE, to apply for federal funds for mitigation assistance to acquire interests in property, including the purchase of structures in the floodplain, to demolish and/or remove the structures, and to maintain the use of the Property as open space in perpetuity;

Whereas, the STATE has applied for and been awarded such funding from the Department of Homeland Security, Federal Emergency Management Agency and has entered into a mitigation grant program Grant Agreement with FEMA and herein incorporated by reference; making it a mitigation grant program grantee.

Whereas, the property is located in the Village of Gurnee, and the Village of Gurnee participates in the National Flood Insurance Program (NFIP) and is in good standing with NFIP as of the date of the Deed;

Whereas, the COUNTY, acting by and through the Lake County Board, has applied for and been awarded federal funds pursuant to an agreement with the STATE dated 8/22/13, and herein incorporated by reference, making it a mitigation grant program subgrantee;

WHEREAS, the terms of the mitigation grant program statutory authorities, Federal program requirements consistent with 44 C.F.R. Part 80, the Grant Agreement, and the State-local Agreement require that the COUNTY

agree to conditions that restrict the use of the land to open space in perpetuity in order to protect and preserve natural floodplain values;

Now, therefore, the grant is made subject to the following terms and conditions:

1. Terms. Pursuant to the terms of the Hazard Mitigation Grant Program statutory authorities, Federal program requirements consistent with 44 C.F.R. Part 80, the Grant Agreement, and the State-local Agreement, the following conditions and restrictions shall apply in perpetuity to the Property (as described in Exhibit A described in the attached deed and acquired by the COUNTY pursuant to FEMA program requirements concerning the acquisition of property for open space:
 - a. Compatible uses. The Property shall be dedicated and maintained in perpetuity as open space for the conservation of natural floodplain functions. Such uses may include parks for outdoor recreational activities; wetlands management; nature reserves; cultivation; grazing; camping (except where adequate warning time is not available to allow evacuation); unimproved, unpaved parking lots; buffer zones; and other uses consistent with FEMA guidance for open space acquisition, Hazard Mitigation Assistance, Requirements for Property Acquisition and Relocation for Open Space.
 - b. Structures. No new structures or improvements shall be erected on the property other than:
 - i. A public facility that is open on all sides and functionally related to a designated open space or recreational use;
 - ii. A public restroom; or
 - iii. A structure that is compatible with open space and conserves the natural function of the floodplain, including the uses described in Paragraph 1.a., above, and approved by the FEMA Administrator in writing before construction of the structure begins.
 - iv. Any improvements on the Property shall be in accordance with proper floodplain management policies and practices. Structures built on the Property according to paragraph b. of this section shall be floodproofed or elevated to at least the base flood level plus 1 foot of freeboard, or greater, if required by FEMA, or if required by any State, Tribal or local ordinance, and in accordance with criteria established by the FEMA Administrator.
 - c. Disaster Assistance and Flood Insurance. No Federal entity or source may provide disaster assistance for purposes with respect to the Property, nor may any application for such assistance be made to any Federal entity or source. The Property is not eligible for coverage under the NFIP for damage to structures on the property occurring after the date of the property settlement, except for pre-existing structures being relocated off the property as a result of the project.
 - d. Transfer. The COUNTY, including successors in interest, shall convey any interest in the Property only if the FEMA Regional Administrator, through the STATE, gives prior written approval of the transferee in accordance with this paragraph.

- i. The request by the COUNTY, through the STATE, to the FEMA Regional Administrator must include a signed statement from the proposed transferee that it acknowledges and agrees to be bound by the terms of this section, and documentation of its status as a qualified conservation organization if applicable.
- ii. The COUNTY may convey a property interest only to a public entity or to a qualified conservation organization. However, the COUNTY may convey an easement or lease to a private individual or entity for purposes compatible with the uses described in paragraph (a), of this section, with the prior approval of the FEMA Regional Administrator, and so long as the conveyance does not include authority to control and enforce the terms and conditions of this section.
- iii. If title to the Property is transferred to a public entity other than one with a conservation mission, it must be conveyed subject to a conservation easement that shall be recorded with the deed and shall incorporate all terms and conditions set forth in this section, including the easement holder's responsibility to enforce the easement. This shall be accomplished by one of the following means:
 - a. The COUNTY shall convey, in accordance with this paragraph, a conservation easement to an entity other than the title holder, which shall be recorded with the deed, or
 - b. At the time of title transfer, the COUNTY shall retain such conservation easement, and record it with the deed.
- iv. Conveyance of any property interest must reference and incorporate the original deed restrictions providing notice of the conditions in this section and must incorporate a provision for the property interest to revert to the State, Tribe or local government in the event that the transferee ceases to exist or loses its eligible status under this section.

2. Inspection. FEMA, its representatives, and assigns including the state or tribe shall have the right to enter upon the Property, at reasonable times and with reasonable notice, for the purpose of inspecting the Property to ensure compliance with the terms of this part, the Property conveyance and of the grant award.
3. Monitoring and reporting. Every three years on 6/1, the COUNTY, in coordination with any current successor in interest, shall submit through the STATE to the FEMA Regional Administrator a report certifying that the COUNTY has inspected the Property within the month preceding the report, and that the Property continues to be maintained consistent with the provisions of 44 C.F.R. Part 80, the property conveyance and the grant award.
4. Enforcement. The COUNTY, the STATE, FEMA, and their respective representatives, successors, and assigns, are responsible for taking measures to bring the Property back into compliance if the Property is not maintained according to the terms of 44 C.F.R. Part 80, the property conveyance and the grant award. The relative rights and responsibilities of FEMA, the STATE, the COUNTY, and subsequent holders of the property interest at the time of enforcement, shall include the following:

- a. The STATE will notify the COUNTY and any current holder of the property interest in writing and advise them that they have 60 days to correct the violation.
 - i. If the COUNTY or any current holder of the property interest fails to demonstrate a good faith effort to come into compliance with the terms of the grant within the 60-day period, the STATE shall enforce the terms of the grant by taking any measures it deems appropriate, including but not limited to bringing an action at law or in equity in a court of competent jurisdiction.
 - ii. FEMA, its representatives, and assignees may enforce the terms of the grant by taking any measures it deems appropriate, including but not limited to 1 or more of the following:
 - a. Withholding FEMA mitigation awards or assistance for the STATE, and COUNTY; and current holder of the property interest.
 - b. Requiring transfer of title. The current holder of the property interest shall bear the costs of bringing the Property back into compliance with the terms of the grant; or
 - c. Bringing an action at law or in equity in a court of competent jurisdiction against any or all of the following parties: the STATE, the local community, and their respective successors.
5. Amendment. This agreement may be amended upon signatures of FEMA, the STATE, and the COUNTY only to the extent that such amendment does not affect the fundamental statutory purposes underlying the agreement.
6. Severability. Should any provision of this grant or the application thereof to any person or circumstance be found to be invalid or unenforceable, the rest and remainder of the provisions of this grant and their application shall not be affected and shall remain valid and enforceable.