

ORIGINAL

ORDINANCE AUTHORIZING EXECUTION OF AN INTERGOVERNMENTAL
AGREEMENT WITH SCHOOL DISTRICT 97 FOR THE ACQUISITION,
LEASEBACK AND REVERTER OF THE DISTRICT 97 ADMINISTRATION
BUILDING LOCATED AT 970 MADISON STREET IN THE VILLAGE

BE IT ORDAINED by the President and Board of Trustees of the Village of Oak Park, County of Cook, State of Illinois, acting pursuant to its Home Rule Powers as set forth in Article 7, Section 6 of the Illinois Constitution (1970), as amended, that the Village President and Village Clerk are hereby authorized and directed to execute an Intergovernmental Agreement with School District 97 through which the Village will acquire title to School District 97's Administration Building located at 970 Madison Street in the Village for a price of \$2,370,000 and will leaseback same to District 97 and will ultimately cause the reversion of title back to District 97 for its acquisition price, agreed upon expenses and a right of first refusal for the benefit of the Village. Said Intergovernmental Agreement shall be in substantial conformity with the Agreement and Lease attached hereto as Exhibit A and made part hereof.

The Village President and Village Clerk are further authorized and directed to approve such changes as may be requested by School District 97, which changes shall not substantially impact the obligations of the Village as set forth in the draft agreement attached hereto.

The Village President and Village Clerk are further authorized and directed to execute any and all documents which are necessary to effectuate the purposes of this Intergovernmental Agreement.

THIS ORDINANCE shall be in full force and effect from an after its adoption and publication in accordance with law.


ADOPTED this 16th day of April 2007 pursuant to a roll call vote as follows:

AYES: Trustees Brady, Gockel, Johnson, Milstein and President Pope

NAYS: None

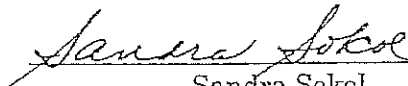
ABSENT: Trustee Marsey

APPROVED by me this 16th day of April 2007.



David G. Pope
Village President

ATTEST:



Sandra Sokol
Village Clerk

INTERGOVERNMENTAL COOPERATION AGREEMENT
BETWEEN THE VILLAGE OF OAK PARK, COOK COUNTY, ILLINOIS
AND OAK PARK SCHOOL DISTRICT NUMBER 97, COOK COUNTY, ILLINOIS
ORIGINAL

THIS INTERGOVERNMENTAL COOPERATION AGREEMENT (the "Intergovernmental Cooperation Agreement") is hereby made and entered into as of the 25th day of April, 2007 by and between the VILLAGE OF OAK PARK, Cook County, Illinois, a municipality and political subdivision of the State of Illinois and a "home rule unit" pursuant to Article VII, Section 6 of the Illinois Constitution of 1970 (the "Village") and OAK PARK SCHOOL DISTRICT NUMBER 97, Cook County, Illinois, an elementary school district and body politic and corporate of the State of Illinois ("School District Number 97").

WITNESSETH:

WHEREAS, the Village has determined that it is in the public interest to consider the continued implementation and furtherance of the Madison Street Business Corridor Tax Increment Financing Redevelopment Plan and Project previously established in February of 1995 (the "Redevelopment Plan") together with the Project (the "Redevelopment Project") for the Village's Madison Business Corridor Redevelopment Project Area (the "Redevelopment Area"), all pursuant to the Tax Increment Allocation Redevelopment Act of the State of Illinois, 65 ILCS 5/11-74.4-1 et seq., as amended (the "Act"); and

WHEREAS, the Village and School District Number 97 entered into an Intergovernmental Agreement, dated March 6, 1995, providing for certain annual payments pursuant to the terms thereof (the "1995 Intergovernmental Agreement"), set forth as Exhibit A hereof, with respect to the Redevelopment Area, which 1995 Intergovernmental Agreement continues in full force and effect; and

WHEREAS, pursuant to the terms of the Local Government Property Transfer Act of the State of Illinois (the "Transfer Act"), the Trustees of Schools of Township 39 North, Range 13 East, for the use and benefit of School District Number 97 hold title to certain real estate (the "Real Estate") consisting of an Administration Building located within the Redevelopment Area at 970 Madison Street, Oak Park, Illinois 60302 without restriction and hereby declares it a public purpose to transfer the Real Estate to the Village for redevelopment purposes in accordance with the Redevelopment Plan and the Act; and

WHEREAS, upon such transfer, the Real Estate shall be leased back to School District Number 97 by the Village on terms mutually agreeable to both parties consistent with the Transfer Act; and

WHEREAS, Section 4(b) of the Act provides that the Village may enter into contracts with overlapping taxing bodies necessary or incidental to the implementation and furtherance of its Redevelopment Plan; and

WHEREAS, School District Number 97 is an affected taxing district with a significant real estate assessment tax base with respect to the Redevelopment Area and the Redevelopment Plan; and

WHEREAS, the Intergovernmental Cooperation Act of the State of Illinois authorizes the Village and School District Number 97 to contract to perform any governmental service, activity or undertaking or to combine, transfer, or exercise any powers, functions, privileges or authority which any of such public agencies is authorized to perform; and

WHEREAS, in order for the Village and School District Number 97 to derive the benefits of an increased assessment base, such entities shall each undertake to perform various obligations in accordance with the terms and conditions hereof; and

WHEREAS, the Village and School District Number 97 have agreed that in order to restore and enhance the tax base of the overlapping taxing districts and to allow the taxing bodies to benefit from the removal of blighted conditions, all in accordance with the provisions of Section 7 of the Act, that School District Number 97 shall direct the transfer of the Real Estate to the Village (the "Transfer") in accordance with the terms of the Transfer Act, said Transfer to include such terms as may be agreed upon by the Village and School District Number 97, including but not limited to, the lease, use, occupation, improvement or reverter thereof, for redevelopment purposes in accordance with the Redevelopment Plan and Redevelopment Project for the Transfer price of \$2,370,000 (the "Transfer Price"), such Transfer Price to be paid by the Village from funds derived from the Village's special tax allocation fund in connection with the Redevelopment Area (but only upon the approval hereof by the corporate authorities of each of the signatories hereto and subject to certain conditions hereinafter set forth).

NOW, THEREFORE, in consideration of the mutual benefits accruing to the parties hereto, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Village and School District Number 97 do hereby agree as follows:

Section 1. The words and phrases of this Intergovernmental Cooperation Agreement shall, for all purposes hereof unless otherwise defined herein, have the meanings assigned to such words and phrases in the Act.

Section 2. Except for the succeeding sentence, all provisions of the 1995 Intergovernmental Agreement and the distribution of funds to School District Number 97 provided for therein are deemed to be continued throughout the life of the Redevelopment Plan, and further, that the 1995 Intergovernmental Agreement shall be considered to be a part hereof as

if set forth in full herein. Section 2(B) of the 1995 Intergovernmental Agreement set forth as Exhibit A hereof is amended as follows:

"B. The amount of real estate tax revenue which the School District will lose each year as a result of designation of the Area shall be calculated by subtracting the total amount that would be produced by extending the current tax rate against the initial EAV certified as directed in Subsection A(2) above from the amount of taxes produced by extending the total tax rate of the School District for the current tax year against the current EAV certified as directed in Subsection A(1) above. The percentage of such loss to be reimbursed annually shall be based on the percentage of total tax increment collected from real estate located in the Area during the preceding tax year and shall be equal to twenty-five percent (25%) of such tax revenue loss for the first fifteen (15) years of the Plan, and shall be equal to one hundred percent (100%) of such tax revenue loss for years sixteen (16) through twenty-three (23) of the Plan, less the Transfer Price and any additional amounts consisting of issuance costs (up to three percent (3%) of each issue) or interest charges (up to \$250,000) incurred in connection with any borrowings by the Village to finance redevelopment projects in accordance with the Redevelopment Plan caused by the use of funds in the Village's special tax allocation fund to pay the Transfer Price; and in no event shall borrowings exceed the amount of the Transfer Price. Any additional amounts will be agreed to by the Village and School District Number 97 prior to the time of such borrowings. Once the Transfer Price and any additional issuance costs and interest have been withheld from distribution to School District 97 and the other taxing districts the full percentage of the tax revenue loss to be reimbursed as set forth in this Section 2B shall resume."

Attached as Schedule I hereto is the agreed pro forma calculation (subject to annual calculation based on actual revenues and expenditures) of the Madison Street TIF Fund showing the Transfer Price, the mechanism for repayment thereof by School District Number 97 to the Village, beginning in Estimated Budget FY 2011 and the effect thereof on annual reimbursements to School District Number 97 in future years, including years sixteen (16) through twenty-three (23) of the Plan, including that the Madison TIF Fund will continue to pay

the deficiency payments pursuant to the 1995 Intergovernmental Agreement as set forth in Footnote 3 to Schedule 1 hereof.

Section 3. The Transfer Price shall be \$2,370,000 and shall be paid in two installments. The first installment of \$1,185,000 shall be paid to School District Number 97 between July 1, 2007 and December 31, 2007 (the "First Installment"). The second installment of \$1,185,000 shall be paid to School District Number 97 between January 1, 2008 and June 30, 2008 (the "Second Installment").

Section 4. School District Number 97 shall direct the Transfer after its receipt of both the First Installment and Second Installment and School District Number 97 shall direct the transfer within thirty (30) days of its receipt of the Second Installment from the Village pursuant to the terms of the Transfer Act. The Transfer shall be effectuated by Quitclaim Deed from the Trustees of Schools of Township 39 North, Range 13 East for the use and benefit of School District Number 97 to the Village, subject to the reversion interest specified in Section 6, and shall be accompanied by State and local tax declarations, an owner's title insurance policy, an affidavit of title, and ALTA Statement.

Section 5. Effective immediately upon the Transfer, the Village and School District Number 97 shall also enter into a lease for the Real Estate (the "Lease") in substantially the form attached hereto as Exhibit B.

Section 6. The Lease shall provide, among other things, that notwithstanding the Transfer in Section 4 above, School District Number 97 shall maintain exclusive possession of the Real Estate during the term of the Lease, that rental payments shall be made by School District Number 97 to the Village during the term of the Lease and that ownership of the Real Estate shall automatically revert by operation of law back to the Trustees of Schools of

Township 39 North, Range 13 East and School District Number 97 at the end of the Lease term, after the Village has been fully reimbursed for all amounts thereunder, and hereunder. Upon the termination of the Lease, but during the existence of the Redevelopment Plan and Redevelopment Project, School District Number 97 shall grant the Village the right of first refusal to purchase the Real Estate upon such terms as shall be agreeable to School District Number 97 and the Village in their complete discretion pursuant to the terms of the Act and the Local Government Property Transfer Act of the State of Illinois. If no agreement may be reached by such parties, School District Number 97 may hold or sell the Real Estate in accordance with law during such period.

Section 7. The parties shall each furnish proper authorizing resolutions from their respective governing authorities providing for the due execution of this Intergovernmental Cooperation Agreement, the Transfer of Real Estate and the Lease. The parties hereto may hereafter jointly develop further policies and mechanisms in accordance with law and this Intergovernmental Cooperation Agreement to fulfill the requirements of this Intergovernmental Cooperation Agreement, including staff meetings no less than twice a year. The Village and School District Number 97 shall use their best efforts to resolve any disputes arising with respect to this Intergovernmental Cooperation Agreement by negotiation. The parties acknowledge that the actions called for in this Intergovernmental Cooperation Agreement are time-sensitive and that in the event of any dispute among the parties, each agrees that it will not object to an expedited hearing process.

Section 8. The breach by any of the parties hereto of the terms or provisions of this Intergovernmental Cooperation Agreement shall allow the parties to pursue any or all the rights and remedies available by law or as provided herein, including, without limitation, by civil

action to compel performance, or enjoin breach, of all duties required by law or by this Intergovernmental Cooperation Agreement. No changes, amendments, additions or alteration of any kind shall be made hereto, unless in writing as authorized by all the parties to this Intergovernmental Cooperation Agreement. The terms and provisions of this Intergovernmental Cooperation Agreement shall be binding and inure to the benefit of the parties hereto, constituting the entire agreement of the parties hereto.

Section 9. The Village agrees to undertake such further approvals, proceedings or actions as may be reasonably necessary under the Act in order to carry out the terms and the intent of this Intergovernmental Cooperation Agreement, and School District Number 97 shall not unreasonably withhold any approval or omit to take any other action required by law to consummate this Intergovernmental Cooperation Agreement. This Intergovernmental Cooperation Agreement will only be binding upon the signatories hereto if approved by a vote of two-thirds (2/3) of the members of the Board of Education of School District Number 97. Attached as Schedule II is an initial Timetable with respect to certain procedures required to implement this Intergovernmental Cooperation Agreement.

Section 10. Nothing in this Intergovernmental Cooperation Agreement shall prevent the Village from entering into one or more agreements with any property owners, developers, tenants or others incidental to the implementation and furtherance of the Redevelopment Plan, if deemed necessary and advisable to do so by the Village provided such agreements do not involve or impact the Real Estate.

Section 11. This Intergovernmental Cooperation Agreement may be amended by one or more supplemental agreements executed by the Village and School District Number 97 at any time, except that no such amendment or supplement shall be made which will adversely

affect the rights of the holders of any obligations issued by the Village to finance redevelopment costs.

Section 12. The Village and School District Number 97 shall submit or provide to each other such information as may be requested by either or otherwise required pursuant to the Act, concerning the progress of the payment of the Transfer Price, the transfer of the Real Estate, the Madison Street TIF Fund, or any borrowings by the Village to finance redevelopment projects in accordance with the Redevelopment Plan caused by the use of funds in the Village's special allocation fund to pay the Transfer Price.

Section 13. The term of this Intergovernmental Cooperation Agreement shall be for the life of the Redevelopment Plan. It shall be binding on the parties and their respective successors. It may not be assigned.

Section 14. This Intergovernmental Cooperation Agreement is governed by and shall be interpreted and enforced in accordance with the laws of the State of Illinois.

Section 15. Each party warrants to the other that it is authorized to execute, deliver and perform this Intergovernmental Cooperation Agreement. Each party warrants to the other that execution, delivery and performance of this Intergovernmental Cooperation Agreement does not constitute a breach or violation of any agreement, undertaking, law or ordinance by which that party is bound. Each individual signing this Intergovernmental Cooperation Agreement on behalf of a party warrants to the other parties that such individual is authorized to execute this Intergovernmental Cooperation Agreement in the name of the party on whose behalf he or she executes it.

IN WITNESS WHEREOF, the parties hereto have caused this Intergovernmental Cooperation Agreement to be executed and attested by their proper officials thereunto duly authorized and their official seals to be hereto affixed, all as of the date first above written.

VILLAGE OF OAK PARK
Cook County, Illinois

By: [Signature]
Village President

ATTEST:

[Signature]
Village Clerk

[SEAL]

OAK PARK SCHOOL DISTRICT
NUMBER 97
Cook County, Illinois

By: [Signature]
President, Board of Education

ATTEST:

[Signature]
Secretary, Board of Education

REVIEWED AND APPROVED
AS TO FORM

APR 16 2007
[Signature]
LAW DEPARTMENT

EXHIBIT A

Existing 1995 Intergovernmental Agreement