

**INTERGOVERNMENTAL AGREEMENT
BY AND BETWEEN
CITY OF PANA, ILLINOIS AND
PANA COMMUNITY UNIT SCHOOL DISTRICT NO. 8
FOR THE PURCHASE OF
10 EAST SECOND STREET, PANA, ILLINOIS AND
TRANSFER OF CERTAIN SCHOOL PROPERTY TO THE CITY**

This Agreement is entered into as of the date(s) last executed below, by and between the **BOARD OF EDUCATION OF PANA COMMUNITY UNIT SCHOOL DISTRICT NUMBER 8**, a body politic and corporate ("**School**") and the **CITY OF PANA, ILLINOIS**, an Illinois municipality ("**City**") (together, the "**Parties**").

WHEREAS, Article VII, sec. 10 of the 1970 Illinois Constitution provides that units of local government and school districts may contract and otherwise associate among themselves to obtain or share services and to exercise, combine or transfer any power or function, in any manner not prohibited by law; and

WHEREAS, the Illinois "Intergovernmental Cooperation Act", 5 ILCS 220/1 et seq., allows units of local government and school districts to enter into an intergovernmental agreement to exercise its various powers, privileges or authority jointly with another unit of local government, and, in any such agreement, to appropriate funds and to sell, lease, give, authorize the receipt of grants, or otherwise supply the administrative joint board or other legal or administrative entity created to operate the cooperate undertakings by providing personnel or services therefor; and

WHEREAS, the City, to promote economic development and eliminate a blighting property located in the city of Pana, is in the process of acquiring the Property described herein which Property was formerly used as a retail store by Wal-Mart; and

WHEREAS, School has expressed an interest in using the Property for school purposes, which may include, depending on the availability of funding, the development of a vocational education center benefiting not only the citizens of Pana but students within the School District and outside of the District; and

WHEREAS, the development of a regional vocation education facility will spur economic development and economic activity within the city of Pana; and

WHEREAS, if funding for a vocational education center is not available, School intends to use the Property as a Unit Office and a transportation facility; and

WHEREAS, neither party has the means to acquire and develop the Property without the assistance and support of the other; and

WHEREAS, the Parties anticipate the execution of other agreements in order to implement the use and development of the Property; and

WHEREAS, the parties desire to move forward with acquisition of the Property located at 10 West Second Street (Parcel Number 11-25-21-224-001-00) (Property) in Pana, Illinois from TKG Pana Development, LLC by each agreeing to contribute one-half of the purchase price for said Property, being two-hundred and fifty thousand dollars each for a total purchase price of five hundred thousand dollars and equally sharing all customary closing costs; and

WHEREAS, School in further consideration of the mutual obligations and benefits described in this agreement, intends to demolish the old school buildings known as Washington Elementary School at 200 S. Sherman Street, Pana and Lincoln Elementary School at 614 E. Second Street, Pana and convey the properties to the City; and

WHEREAS, it is in the best interest of both parties to enter into this Intergovernmental Agreement in order to document the discussions and understandings of the parties to these matters and formally commit to undertake the work described herein.

NOW, THEREFORE, in consideration of the mutual promises contained herein and other good and valuable consideration, the Parties agree as follows:

1. **Purchase of Real Estate.** The City of Pana will acquire the Property located at 10 West Second Street (Parcel Number 11-25-21-224-001-00) (Property) in Pana, Illinois from TKG Pana Development, LLC for a purchase price not to exceed Five-Hundred Thousand Dollars. The purchase price will be shared between City and School as follows: The City will contribute two-hundred and fifty thousand dollars plus 50% of the customary buyer closing costs and incidentals and Pana Community School District Number 8 will contribute two-hundred and fifty thousand dollars plus 50% of the customary buyer closing costs and incidentals. The foregoing obligations are conditioned upon the negotiation of a purchase agreement with TKG Pana Development which is acceptable to the City and School. Closing will occur following demolition of the school buildings known as Washington Elementary School at 200 S. Sherman Street, Pana and Lincoln Elementary School at 614 E. Second Street, Pana.
2. **Use of Property and Future Agreements.** If City acquires the Property in its name, City will convey the Property to School upon conveyance of the Washington Elementary School and Lincoln Elementary School sites to City by School. Such transfers shall occur on or before August 1, 2025.
3. **Demolition and Conveyance of School Sites to City.** School agrees, at its expense, to demolish the existing elementary school buildings at the Washington Elementary School Site and the Lincoln Elementary School site described above and convey said sites to City on or before August 1, 2025. The transfer of said sites to City will be subject to a mutually agreeable sales contract entered into between School and City.
4. **Representation of Authority.** Each of the persons executing this Agreement represents and warrants to the other that he/she has the proper authority and power to execute this Agreement on behalf of his/her respective entity and to bind such entity to the terms and conditions hereof.

5. **Counterparts and Facsimile Signatures.** This Intergovernmental Agreement may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same instrument. Facsimile signatures shall be considered as original signatures.

6. **Non-Assignable.** Neither Party shall have the right to transfer or assign this Agreement without the express written consent of the other Party.

7. **Term.** This Agreement shall terminate upon contribution of the amounts by each Party described herein and upon completion of the property transfers described herein.

IN WITNESS WHEREOF, the parties have entered into this Agreement on the date(s) set forth below.

CITY OF PANA, ILLINOIS

**BOARD OF EDUCATION OF
PANA COMMUNITY SCHOOL
DISTRICT NO. 8**

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____

ATTEST:

ATTEST:

By: _____

By: _____

Its: _____

Its: _____

Date: _____

Date: _____