

**INTERGOVERNMENTAL AGREEMENT
BETWEEN THE VILLAGE OF OAK PARK AND THE BOARD OF EDUCATION
OF OAK PARK ELEMENTARY SCHOOL DISTRICT NUMBER 97
RELATED TO THE MADISON STREET TIF DISTRICT**

THIS INTERGOVERNMENTAL AGREEMENT (hereinafter referred to as “Agreement”) is entered into this ____ day of _____, 2015, between the Village of Oak Park, an Illinois home rule municipal corporation (hereinafter referred to as the “Village”) and the Board of Education of Oak Park Elementary School District Number 97, a school district organized under the Illinois School Code, 105 ILCS 5/1-1 *et seq.* (hereinafter referred to as the “District”).

RECITALS

A. **WHEREAS**, the Village is a home rule unit of government in accordance with Article VII, Section 6, of the 1970 Illinois Constitution; and

B. **WHEREAS**, the Village has the authority, pursuant to the laws of the State. of Illinois, to promote the health, safety and welfare of the Village and its inhabitants, to prevent the presence of blight, to encourage private development in order to enhance the local tax base, to increase additional tax revenues realized by the Village, foster increased economic activity within the Village, to increase employment opportunities within the Village, and to enter into contractual agreement with third parties for the purpose of achieving the aforesaid purposes, and to otherwise further the best interests of the Village; and

C. **WHEREAS**, the Village is further authorized under the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, as amended (the “TIF Act”), to finance redevelopment in accordance with the conditions and requirements set forth in the TIF Act; and

D. **WHEREAS**, pursuant to the Act, the Village adopted the following ordinances (collectively referred to as the “Enabling Ordinances”), after giving all notices required and after conducting the public hearings required by law:

1. Ordinance No. 1995-O-4, adopted February 6, 1995, entitled “An Ordinance of the Village of Oak Park, Cook County, Illinois Approving a Tax Increment Redevelopment Plan and Redevelopment Project for the Madison Street Business Corridor Redevelopment Project Area” (“Madison Plan”); and

2. Ordinance No. 1995-O-5, adopted February 6, 1995, entitled “An Ordinance of the Village of Oak Park, Cook County, Illinois Designating the Madison Street Business Corridor Redevelopment Project Area pursuant to the Real Property Tax Increment Allocation Redevelopment Act” (“TIF District”); and

3. Ordinance No. 1995-O-6, adopted February 6, 1995, entitled “An Ordinance of the Village of Oak Park, Cook County, Illinois Adopting Tax Increment Allocation Financing for the Madison Street Business Corridor Redevelopment Project Area” (“TIF Financing”); and

E. **WHEREAS**, the following activities were authorized to be undertaken within the TIF District to promote the goals and objectives of the Madison Plan:

1. Enter into contracts necessary to implement the Madison Plan;
2. Acquire property and assemble redevelopment sites;
3. Clear any area by demolition or removal of existing buildings and structures;
4. Install, repair, construct, reconstruct or relocate streets, utilities, and site improvements essential to the preparation of the redevelopment area;
5. Construct public facilities; and
6. Exercise any and all other powers necessary to effectuate the purposes of the TIF Act; and

F. **WHEREAS**, the Madison Plan was amended on December 8, 2014 to include “the construction of public school structures, buildings and facilities” as an activity that may be undertaken within the TIF District pursuant to the Act (“Amended Plan”); and

G. **WHEREAS**, as a result of the creation of the Madison TIF District, the Village entered into an Intergovernmental Agreement with the District dated February 6, 1995 (“1995 Agreement”) and an Intergovernmental Agreement dated April 25, 2007 with the District (“2007 Agreement”) concerning annual payments and other matters pertaining to the TIF District, which agreements are limited to the TIF District through tax year 2018 to be paid in 2019 (collectively referred to as the “Prior Intergovernmental Agreements”); and

H. **WHEREAS**, the Village and the District previously entered into a Memorandum of Understanding dated October 21, 2014, attached hereto and incorporated herein by reference as Exhibit A, in which the Village and the District outlined the parameters for this Agreement; and

I. **WHEREAS**, pursuant to this Agreement, the Village shall fund the construction of a new District administration building (“Project”) to be built on property owned by the Village at the property commonly known as 260 Madison, Oak Park, Illinois (“260 Madison”) located within the Madison TIF District and legally described in Exhibit B, attached hereto and incorporated herein by reference; and

J. **WHEREAS**, the Village shall transfer ownership of 260 Madison to the District and the District shall transfer ownership of the District’s property commonly known as 970 Madison, Oak Park, Illinois (“970 Madison”), located within the TIF District and legally described in Exhibit C, attached hereto and incorporated herein by reference, to the Village so that the Village may effectuate the private redevelopment of 970 Madison; and

K. **WHEREAS**, this Agreement shall supersede and replace the Prior Intergovernmental Agreements as more fully set forth herein; and

L. **WHEREAS**, Section 11-74.4-3(q) of the TIF Act, 65 ILCS 5/11-74.4-3(q), authorizes the Village to incur “redevelopment project costs,” which include “the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project;” and

M. **WHEREAS**, under Section 11-74.4-3(q)(3) of the TIF Act, 65 ILCS 5/11-74.4-3(q)(3), such incremental ad valorem taxes which have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof (“Increment”) may be used to pay all or a portion of a taxing district’s “cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;” and

N. **WHEREAS**, under Section 11-74.4-3(q)(7) of the TIF Act, 65 ILCS 5/11-74.4-3(q)(7), such Increment may be used to pay all or a portion of a taxing district’s capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs; and

O. **WHEREAS**, under Section 11-74.4-3(q)(8) of the TIF Act, 65 ILCS 5/11-74.4-3(q)(8), such Increment may be used to pay all or a portion of a taxing district’s “[r]elocation costs to the extent that a municipality determines that relocation costs shall be paid;” and

P. **WHEREAS**, the District is a taxing district under the TIF Act; and

Q. **WHEREAS**, pursuant to the Amended Plan, the activities contemplated herein to be undertaken by the Village are authorized by the activities and are TIF eligible redevelopment project costs pursuant to the provisions of the TIF Act cited above; and

R. **WHEREAS**, Article VII, Section 10 of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, authorize units of local government to contract or otherwise associate among themselves to obtain or share services, to exercise, combine or transfer any power or function, in any manner not prohibited by law; and

S. **WHEREAS**, the Village and the District (collectively referred to as “the Parties”) are public agencies as that term is defined in the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*; and

T. **WHEREAS**, the Local Government Property Transfer Act, 50 ILCS 605/0.01 *et seq.*, further provides the Village and the District with the authority “to transfer all of the right, title and interest” held by either Party to the other Party upon such terms as are agreeable to the Parties; and

U. **WHEREAS**, pursuant to the terms set forth herein, the Parties have determined to enter into this Agreement to provide for the terms by which the Parties shall exchange certain parcels of property located within the Madison TIF District, and the Village shall reimburse the District for redevelopment project costs, all pursuant to Article VII, Section 10 of the Illinois Constitution of 1970, the Intergovernmental Cooperation Act, the Local Government Property Transfer Act and the TIF Act.

NOW, THEREFORE, pursuant to the authority set forth above and any and all other applicable laws, and in consideration of the mutual covenants and obligations contained herein, it is agreed between the Village and the District as follows:

SECTION 1: RECITALS INCORPORATED.

1.1. The above-stated Recitals are a material part of this Agreement and are hereby incorporated in this Section 1.1 by reference as though fully set forth herein.

SECTION 2: DEFINITIONS.

“Act” means the Tax Increment Allocation Redevelopment Act found at 65 ILCS 5-11-74.4-1, *et seq.*, as amended.

“Agreement” means this “Intergovernmental Agreement between the Village of Oak Park and the Board of Education of Oak Park Elementary School District Number 97.”

“Architect of Record” means the firm or entity employed by the District for the purpose of designing and observing the Project.

“Certificate of Occupancy” means the certificate issued by the authority having jurisdiction to certify that the Project has been sufficiently completed to be occupied and used for its intended purpose.

“Change in Law” means the occurrence, after the Effective Date, of an event described in section (a) below, provided such event materially changes the costs or ability of the party relying thereon to carry out its obligations under this Agreement and such event is not caused by the Party relying thereon:

(a) Change in Law means any of the following: (i) the enactment, adoption, promulgation or modification of any federal, state or local law, ordinance, code, rule or regulation (other than by the Village or with respect to those made by the Village, only if they violate the terms of this Agreement); (ii) the order or judgment of any federal or state court, administrative agency or other governmental body; (iii) the imposition of any conditions on, or delays in, the issuance or renewal of any governmental license, approval or permit (or the suspension, termination, interruption, revocation, modification, denial or failure of issuance or renewal thereof) necessary for the undertaking of the services to be performed under this Agreement; or (iv) the adoption, promulgation, modification or interpretation in written guideline or policy statement by a governmental agency (other than the Village or with respect to those made by the Village, only if they violate the terms of this Agreement).

“Commencement Date” shall mean the date the District commences construction of the foundations and footings for the Project.

“Completion Date” shall mean the date the Village issues a certificate of occupancy for the Administration Building Project.

“Corporate Authorities” means the President and Board of Trustees of the Village of Oak Park, Illinois.

“District” means the Board of Education of Oak Park Elementary School District Number 97.

“Effective Date” means the later date that either the District or the Village executes this Agreement.

“Eligible Project Costs” means all facilities and improvements necessary to implement the Project, including, but not limited to, environmental remediation, mass excavation, demolition, construction costs, construction of sidewalks, utility extensions for water, storm and sanitary sewers, engineering and similar design costs provided in conjunction with construction of the Project.

“Environmental Laws” means any and all federal, state or local statutes, laws, regulations, ordinances, codes, rules, orders, licenses, judgments, decrees or requirements relating to public health and safety and the environment now or hereafter in force, including but not limited to: (i) the Comprehensive Environmental Response, Compensation and Liability Act (42 U.S.C. §9601 *et seq.*); (ii) any so-called “Superlien” law; (iii) the Hazardous Materials Transportation Act (49 U.S.C. §1801 *et seq.*); (iv) the Resource Conservation and Recovery Act (42 U.S.C. §6901 *et seq.*); (v) the Clean Air Act (42 U.S.C. §7401 *et seq.*); (vi) the Clean Water Act (33 U.S.C. §1251 *et seq.*); (vii) the Toxic Substances Control Act (15 U.S.C. §2601 *et seq.*); (viii) the Federal Insecticide, Fungicide, and Rodenticide Act (7 U.S.C. §136 *et seq.*); (ix) Executive Order 11738; (x) regulations of the United States Environmental Protection Agency (40 C.F.R. Part 15); (xi) the Illinois Environmental Protection Act (415 ILCS 5/1 *et seq.*); and (xii) the Village Code.

“General Contractor” means the general contractor hired by the District for the Project.

“Incremental Property Taxes” means that portion of the ad valorem taxes arising from the taxes levied upon the properties located within the TIF District, which taxes are actually collected and which are attributable to the increases in the then current equalized assessed valuation (“EAV”) of the taxable lot, block, tract or parcel of all portions of the Property over and above the total Initial EAV of the Property, all as determined by the County Clerk of the County of Cook, Illinois, pursuant to and in accordance with the Act and the Enabling Ordinances.

“Party” means the Village and/or the District and their successors and/or assigns as permitted herein, as the context requires.

“Person” means any individual, corporation, partnership, limited liability company, joint venture, association, trust, or government or any agency or political subdivision thereof, or any agency or entity created or existing under the compact clause of the United States Constitution.

“Plans” means any engineering plans, construction plans, building plans and/or site plans for the Project.

“President” or **“Village President”** means the Village President of the Village of Oak Park.

“Project” means the construction of the District’s Administration Building at 260 Madison Street.

“Site Work” means any remediation of adverse environmental site conditions and demolition in connection with the Project that is undertaken by the Village.

“Special Tax Allocation Fund” means the separate Village account into which the Incremental Property Taxes and other incremental taxes generated within the TIF District are, from time to time, deposited.

“State” means the State of Illinois.

“Superintendent” means the Superintendent of the District.

“TIF District” means the Madison Street Business Corridor Redevelopment Project Area.

“TIF Funds” means those funds contained in the Village’s special tax allocation fund consisting solely of the Incremental Property Taxes of the TIF District.

“TIF Ordinances” mean all Ordinances adopted by the Village relating to the establishment or amendment of the Madison Street Business Corridor Redevelopment Project Area as further set forth in the Recitals to this Agreement.

“Uncontrollable Circumstances” means any event which:

- (a) is beyond the reasonable control of and without the fault of the Party relying thereon: and
- (b) is one or more of the following events:
 - (i) a Change in Law;
 - (ii) insurrection, riot, civil disturbance, sabotage, act of the public enemy, explosion, fire, nuclear incident, war or naval blockade;
 - (iii) epidemic, hurricane, tornado, landslide, earthquake, lightning, fire, windstorm, other extraordinary or ordinary weather

conditions or other similar act of nature;

- (iv) governmental condemnation or taking other than by the Village;
- (v) strikes, labor disputes or work stoppages;
- (vi) unreasonable delay in the issuance of building or other permits or approvals by the Village or other governmental authority having jurisdiction;
- (vii) shortage or unavailability of essential materials, which materially change the ability of the Party relying thereon to carry out its obligations under this Agreement;
- (viii) unknown or unforeseeable geo-technical or environmental conditions;
- (ix) major environmental disturbances;
- (x) vandalism; or
- (xi) terrorist acts.

Uncontrollable Circumstances shall not include: economic hardship; unavailability of materials (except as described in b(vii) above); or a failure of performance by a contractor (except as caused by events which are Uncontrollable Circumstances as to the contractor).

For each day that the Village or the District is delayed by an Uncontrollable Circumstance, the dates set forth in this Agreement shall be extended by one (1) day.

“Village” means the Village of Oak Park, Illinois, an Illinois home rule municipal corporation.

“Village Code” means the Code of the Village of Oak Park, Illinois.

“Village Manager” means the Village Manager of the Village of Oak Park.

SECTION 3: CONSTRUCTION OF AGREEMENT.

3.1. **Construction of Agreement.** This Agreement, except where the context by clear implication shall otherwise require, shall be construed and applied as follows:

3.1.1. **Definitions.** Definitions include both singular and plural.

3.1.2. **Exhibits.** All exhibits attached to this Agreement shall be and are operative provisions of this Agreement and shall be and are incorporated by reference in the context of use where mentioned and referenced in this Agreement. In the event of a conflict between any exhibit and the terms of this Agreement, the

exhibits shall control. The following list of exhibits are attached to this Agreement and incorporated herein:

<u>Exhibit A:</u>	Memorandum of Understanding
<u>Exhibit B:</u>	Legal Description of 260 Madison
<u>Exhibit C:</u>	Legal Description of 970 Madison
<u>Exhibit D:</u>	Project Budget/TIF Funded Improvements
<u>Exhibit E:</u>	Requisition Form

3.1.3. **Headings.** Headings of Sections and Subsections herein are solely for convenience of reference and do not constitute a part hereof and shall not affect the meaning, construction or effect hereof.

3.1.4. **Include, Includes and Including.** The word “include,” “includes” and “including” shall be deemed to be followed by the phrase “without limitation.”

3.1.5. **Pronouns.** Pronouns include both singular and plural and cover all genders.

3.2. **Certificate, Letter or Opinion.** Any certificate, letter or opinion required to be given pursuant to this Agreement means a signed document attesting to or acknowledging the circumstances, representations, opinions of law or other matters therein stated or set forth. Reference herein to supplemental agreements, certificates, demands, requests, approvals, consents, notices and other documents means that such shall be in writing whether or not a written document is specifically mentioned in the context of use.

3.3. **Village Authorized Representative.** The Village Manager or the Village Manager’s designee shall be deemed the Village’s Authorized Representative, unless applicable law requires action by the Corporate Authorities, and shall have the power and authority to make or grant or do those things, certificates, requests, demands, approvals, consents notices and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the Village and with the effect of binding the Village as limited by this Agreement. The District is entitled to rely on the full power and authority of the persons executing this Agreement on behalf of the Village as having been properly and legally given by the Village. The Village shall have the right to change its Authorized Village Representative by providing the District with written notice of such change which notice shall be sent in accordance with Section 14 of this Agreement.

3.4. **District Authorized Representative.** In connection with the foregoing and other actions to be taken under this Agreement, and unless applicable documents require action by the District in a different manner, the District hereby designates the Superintendent or the Superintendent’s designee as the District’s Authorized Representative, unless applicable law requires action by the Board of Education, and shall have the power and authority to make or grant or do all things, certificates, requests, demands, approvals, consents, notices

and other actions required that are ministerial in nature or described in this Agreement for and on behalf of the District and with the effect of binding the District. The Village is entitled to rely on the full power and authority of the persons executing this Agreement on behalf of the District as having been properly and legally given by the District. The District shall have the right to change its Authorized District Representative by providing the Village with written notice of such change which notice shall be sent in accordance with Section 14 of this Agreement.

SECTION 4: ADMINISTRATION BUILDING PROJECT.

4.1. **Construction of the Project.** The Village shall fund the construction of the Project in an amount not to exceed \$6,300,000, as TIF eligible redevelopment project costs from the TIF District Special Tax Allocation Fund on a reimbursement basis as more fully set forth herein. The District hereby certifies to the Village that the amount pledged for the Project as set forth in this Section is sufficient to complete the Project and the provision of any funds necessary above said amount to complete the Project shall be the sole responsibility of the District, except as set forth herein.

4.2. **Project Budget/TIF Funded Improvements.** The District has delivered to the Village, and the Village hereby approves, a Project Budget for the construction and design of the Administration Building, which are TIF-eligible expenses ("TIF Funded Improvements"). The Project Budget is attached hereto and incorporated herein as Exhibit D, to support the Project cost of \$6,300,000.

4.3. **Eligible Project Costs.** The items set forth in Exhibit D are recognized by the Village as being eligible project costs under the TIF Act with respect to the Project to be paid out of the TIF Funds, including, but not limited to architectural fees. To the extent that the TIF-Funded Improvements are considered taxing district capital costs under the Act and are TIF eligible expenses, the District acknowledges that the TIF-Funded Improvements are costs for capital improvements and the Village acknowledges it has determined that these TIF-Funded Improvements are necessary and directly result from the Amended Madison Street Redevelopment Plan. All TIF-Funded Improvements shall (a) qualify as redevelopment project costs under the Act; (b) qualify as eligible costs under the Amended Plan; and (c) be improvements that the Village has agreed to reimburse the District subject to the terms of this Agreement.

4.4. **District Construction of the Project.** The District shall be responsible for the construction of the Project, which shall include all architectural, engineering, and construction costs, upon the Village's completion of the demolition of the existing building at 260 Madison and the environmental remediation of the property, subject to reimbursement by the Village as set forth herein from the TIF Funds.

4.5. **Sufficiency of TIF Funds and Distribution of Funds.** The Village represents and warrants that there are sufficient unencumbered funds in the Special Tax Allocation Fund for the amount set forth in Section 4.1 above. The Village shall deposit said amount in a joint order escrow account that will be established based upon terms and conditions and at a title company mutually agreeable to the parties, within seven (7) days of the last party to execute

this Agreement. Disbursements from the escrow shall be in accordance with the escrow instructions, which shall comply with Section 5.1 below.

4.6. **Demolition of Existing Building at 260 Madison.** Upon the District's engagement of an architect of record for the design of the Project and notice to the Village of such engagement and the Effective Date of this Agreement, the Village shall begin the demolition of the existing building at 260 Madison. The Village shall provide the District with notice of its completion of the demolition of the existing building.

4.7. **Environmental Remediation.** Upon the Village's completion of the demolition of the building as set forth above, the District shall, in its sole discretion, determine if any reasonable environmental remediation is necessary of 260 Madison. The Village shall conduct such environmental remediation of 260 Madison pursuant to the District's determination and request to be provided pursuant to notice to the Village, which is estimated not to exceed \$500,000. In the event that the District elects to accept 260 Madison without any environmental remediation, the Village shall have no responsibility to provide any environmental remediation.

4.8. **Environmental Reports and Documents.** The Village represents and warrants that it has delivered to the District copies of all environmental reports and documents related to 260 Madison that the Village has in its files or the files of any Village consultants, or that it will provide such reports and documents upon the completion of the demolition of the existing building. The Village makes no warranties or representations regarding the contents of such reports or documents, except to the extent that the Village has actual knowledge that the reports or documents contain material, substantive factual errors. The Village also covenants and represents that it has provided to the District any and all notices or other communications from any governmental agencies with jurisdiction with regard to the environmental conditions of 260 Madison. The District acknowledges that it shall not rely on the reports or documents or the information contained therein, except as provided herein, and shall conduct its own due diligence with respect to the reports and documents and with respect to all matters and information referred to in the reports or documents or otherwise relating to 260 Madison and the environmental condition thereof.

4.9. **Environmental Laws.** The District and the Village waive and release each other from and against any liability or claim related to the reports or documents and the accuracy or completeness of the information contained therein, except as specifically provided herein. The District and the Village make no warranties or representations regarding, nor do the Parties indemnify each other with respect to the existence or nonexistence on or in the vicinity of 260 Madison or anywhere within the TIF District of any toxic or hazardous substances or wastes, pollutants or contaminants (including, without limitation, asbestos, urea formaldehyde, the group of organic compounds known as polychlorinated biphenyls, petroleum products including gasoline, fuel oil, crude oil and various constituents of such products, or any hazardous substance as defined in the Comprehensive Environmental Response, Compensation and Liability Act of 1980 ("CERCLA"), 42 U.S.C. §§ 961-9657, as amended) (collectively, the "Hazardous Substances"). The foregoing disclaimer relates to any Hazardous Substance allegedly generated, treated, stored, released or disposed of, or otherwise placed, deposited in or

located on or in the vicinity of 260 Madison or within the TIF District, as well as any activity claimed to have been undertaken on or in the vicinity of the Property that would cause or contribute to causing (1) 260 Madison to become a treatment, storage or disposal facility within the meaning of, or otherwise bring this Agreement within the ambit of, the Resource Conservation and Recovery Act of 1976 ("RCRA"), 42 U.S.C. §691 *et. seq.*, or any similar state law or local ordinance, (2) a release or threatened release of toxic or hazardous wastes or substances, pollutants or contaminants, from the Property within the meaning of, or otherwise bring 260 Madison within the ambit of, CERCLA, or any similar state law or local ordinance, or (3) the discharge of pollutants or effluents into any water source or system, the dredging or filling of any waters or the discharge into the air of any emissions, that would require a permit under the Federal Water Pollution Control Act, 33 U.S.C. §1251 *et seq.* or any similar state law or local ordinance. Further, the District and the Village make no warranties or representations regarding, nor do the Parties indemnify each other with respect to, the existence or nonexistence on or in the vicinity of the Project or anywhere within the TIF District of any substances or conditions in or on 260 Madison that may support a claim or cause of action under RCRA, CERCLA, or any other federal, state or local environmental laws, including statutes, regulations, ordinances or other environmental regulatory requirements. The Village makes no representations or warranties regarding the existence of any above ground or underground tanks in or about 260 Madison, or whether any above or underground tanks have been located under, in or about the property and have subsequently been removed or filled.

4.10. Environmental Remediation Action Plan. Provided that the Village has complied with its disclosure obligation set forth in Section 4.8 above, the District shall commence an environmental analysis of the Property for a sixty (60) day period upon the Village's notice to the District of the completion of the demolition of the existing building. The District shall have the right of entry on 260 Madison to perform reasonable investigations and inspections during said period, provided that the District shall not have any obligation to perform such investigations under this Agreement. Prior to exercising such right of entry, the District shall provide, or shall require and cause its contractor(s) to provide to the Village proof of comprehensive general liability insurance in the amount of at least \$1,000,000.00 combined, single limit coverage, naming the Village and its officers, employees and agents as additional insureds as a condition to entering 260 Madison, to protect the Village from losses, claims, damages, including property damages and death, arising out of or resulting from the conduct or activities of such contractor or other person. Each party hereby releases the other from any claims, liabilities, costs, or expenses incurred as a result of its activities or presence at 260 Madison during such environmental analysis. The District shall assure that (a) all necessary permits and licenses are obtained, maintained, and appropriately displayed, and (b) 260 Madison is restored and that any equipment or materials are removed. The District shall keep the premises free and clear from liens arising from its activities pursuant to this Section. All such activities shall be conducted in compliance with applicable laws, including the environmental laws and any Illinois Environmental Protection Agency filings, if applicable.

4.11. Conveyance of 260 Madison to the District. Upon completion of the environmental remediation of 260 Madison, the Village shall convey by quitclaim deed, and the District shall accept, all of the Village's right, title and interest in 260 Madison subject to

the terms of this Agreement. The District shall accept 260 Madison "as is" upon conveyance of the property. The District waives and releases any or all claims the District may have against the Village for any violation of any environmental laws with regard to the environmental condition of 260 Madison upon the District's acceptance of the conveyance of 260 Madison. Prior to the conveyance of 260 Madison to the District, the Village shall not sell, transfer, convey, lease or otherwise dispose (or cause or permit the sale, transfer, conveyance, lease or other disposal) of all or any portion of the 260 Madison or any interest therein to any other person or entity other than the District. The Village shall provide the District, at its sole cost and expense, with an ALTA survey of 260 Madison by an Illinois registered land surveyor, which is dated not more than six (6) months prior to the date of conveyance. The Village shall provide the District, at its sole cost and expense, with a current title commitment, for a current ALTA owner's title insurance policy, together with copies of all instruments containing or creating covenants, conditions, easements and restrictions affecting 260 Madison. The aforesaid commitment shall show title in the District. The Village shall convey title to 260 Madison to the District free from any and all liens and encumbrances.

4.12. District Compliance with Applicable Laws for the Project. The District shall at all times acquire, install, construct, operate and maintain the Project in conformance with all applicable laws, rules, ordinances and regulations. All work with respect to the Project shall conform to all applicable federal, state and local laws, regulations and ordinances, including, but not limited to, zoning, subdivision and planned development codes, building codes, environmental laws (including any law relating to public health, safety and the environment and the amendments, regulations, orders, decrees, permits, licenses or deed restrictions now or hereafter promulgated thereafter), life safety codes, property maintenance codes and any other applicable codes and ordinances, or any rules or regulations or amendments thereto.

4.13. Progress Meetings. The District shall provide reports, on request, to the Corporate Authorities and Village staff and make written presentations to the Corporate Authorities and Village staff as reasonably requested by the Village in order to keep the Village apprised of the progress of the Project.

4.14. Inspection Rights. Any authorized representative of the Village shall have access to all portions of the Project during normal business hours for the term of this Agreement.

4.15. Site Plan Review. The District shall provide the Village with a proposed Site Plan of the Project for the Village's review prior to construction of the Project.

SECTION 5: VILLAGE PAYMENTS FOR THE PROJECT.

5.1. Distribution of Funds. Whenever the District seeks a distribution of the TIF Funds made available under Section 4.1, the District shall provide the Village with a Requisition Request in the form attached hereto and incorporated herein by reference as Exhibit E. The Village must review reimbursement requests for eligibility under the TIF Act and this Agreement and shall approve or deny reimbursement requests within five (5) business days of receipt of such request. The Parties agree that all costs set forth in Exhibit

D are eligible for reimbursement under the TIF Act. The Village's approval or denial of a reimbursement request shall be solely based on whether the costs detailed in the request are in fact related to the construction of the Project, this Agreement and eligibility under the TIF Act. Such determination shall be ministerial and shall not be subject to the Village's discretion. If the Village fails to approve or deny a reimbursement request, in writing, within five (5) business days of receipt of such request, the request shall be deemed to be approved on the sixth business day after the Village's receipt thereof. The Village shall cause the release of funds from the escrow account established under Section 4.5 above to the District in the approved amount within five (5) business days of the approval of such request. In the event the Village denies a request for reimbursement by the District pursuant to this Agreement and the TIF Act, the District may seek review of such denial in the Circuit Court of Cook County. Prior to filing any lawsuit in court, the Superintendent and the Village Manager shall meet to attempt to resolve the dispute. Upon request of the Superintendent, the Village Manager must attend such meeting within twenty (20) business days of such request. The prevailing party in such action shall be entitled to all costs and expenses incurred in either bringing or defending such action, which costs shall include, but not be limited to, attorneys' fees, court costs and expert witness fees.

SECTION 6: 970 MADISON STREET PROPERTY.

6.1. **Conveyance of 970 Madison Property.** The District shall convey by quitclaim deed the District's property commonly known as 970 Madison, Oak Park, Illinois ("970 Madison"), located within the Madison TIF District, to the Village so that the Village may effectuate the private redevelopment of 970 Madison after the issuance of an occupancy permit for the District's Administration Building, within forty-five (45) days of completion of the Administration Building at 260 Madison. The Village shall accept the conveyance of 970 Madison in as-is condition. Prior to the conveyance of 970 Madison to the Village, the District shall not sell, transfer, convey, lease or otherwise dispose (or cause or permit the sale, transfer, conveyance, lease or other disposal) of all or any portion of 970 Madison or any interest therein to any other person or entity other than the Village. The District shall provide the Village, at its sole cost and expense, with an ALTA survey of 970 Madison by an Illinois registered land surveyor, which is dated not more than six (6) months prior to the date of conveyance. The District shall provide the Village, at its sole cost and expense, with a current title commitment, for a current ALTA owner's title insurance policy, together with copies of all instruments containing or creating covenants, conditions, easements and restrictions affecting 970 Madison. The aforesaid commitment shall show title in the Village. The District shall convey title to 970 Madison to the Village free from any and all liens and encumbrances.

6.2. **As-Is Condition of 970 Madison.** The Village shall accept 970 Madison "as is" upon conveyance of the property. The Village waives and releases any or all claims the Village may have against the District for any violation of any environmental laws with regard to the environmental condition of 970 Madison upon the Village's acceptance of the conveyance of 970 Madison.

6.3. **Letter of Representation.** Upon the effective date of this Agreement, the District shall execute a letter of representation to allow the Village to market 970 Madison for private sale and redevelopment prior to the conveyance of the 970 Madison.

SECTION 7: MAINTENANCE OF PROJECT BOOKS AND RECORDS.

7.1. **Project Books and Records.** The District shall keep and maintain separate, complete, accurate and detailed books and records necessary to reflect and fully disclose the actual total cost of the Project and the disposition of all funds from whatever source allocated thereto, and to monitor the Project. All such books, records and other documents, including, but not limited to, any general contractors' and contractors' sworn statements, general contracts, subcontracts, purchase orders, waivers of lien, paid receipts and invoices, shall be available at the District's offices for inspection, copying, audit and examination by an authorized representative of the Village. The District shall incorporate this right to inspect copy, audit and examine all books and records into all contracts entered into by the District with respect to the Project.

SECTION 8: VILLAGE AND DISTRICT COOPERATION.

8.1. **Cooperation.** The Village and the District agree to cooperate in implementing the Project in accordance with the parties' respective obligations set forth in this Agreement.

8.2. **Further Assistance and Corrective Instruments.** The Village and the District shall from time to time execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may be reasonably required for carrying out the intention of or facilitating the performance of this Agreement to the extent legally permitted and with the Village's and the District's sound legal discretion.

8.3. **Governmental Approvals.** The Village agrees to cooperate with the District in the District's attempts to obtain all necessary approvals from any governmental or quasi-governmental entity other than the Village and upon request of the District, will promptly execute any applications or other documents which the District intends to file with such other governmental or quasi-governmental entities with respect to the Project. The Village shall further promptly process, and consider reasonable requests of the District for relief or variances from any Village ordinances; applicable demolition permits; building permits; driveway permits; curb cuts or other permits necessary for the construction of the Project. Approval of any building permit applications and/or engineering plans shall be contingent on the District providing all required and requested documentation including but not limited to engineering reports, calculations and plans required to substantiate that said improvements fully conform with all applicable state statutes and also all Village ordinances and codes, as well as receipt of all required approvals from any federal, state, regional or county agencies having applicable jurisdiction. The Village agrees to perform any inspections necessary for the Regional Superintendent of Schools to issue a certificate of occupancy.

SECTION 9: INDEMNIFICATION AND INSURANCE.

9.1. **Liability.** The District hereby undertakes and assumes all potential liability for any injuries, deaths, losses, damages, claims or judgments of any nature whatsoever resulting from or in connection with its construction at the Property, and the District shall hold harmless, indemnify and defend the Village against any such losses according to the provisions of Section 9.3 below. The Village hereby undertakes and assumes all potential liability for any injuries, deaths, losses, damages, claims or judgments of any nature whatsoever resulting from or in connection with its demolition and remediation at 260 Madison, and the Village shall hold harmless, indemnify and defend the District against any such losses according to the provisions of Section 9.3 below.

9.2. **No Liability for Village Review.** The District acknowledges and agrees that: (1) the Village is not, and shall not be liable for any damages or injuries that may be sustained as the result of the Village's review and approval of any plans for the Project, or as a result of the issuance of any approvals, permits, certificates, or acceptances for the Project or use of any portion of 260 Madison; and (2) the Village's review and approval of any plans and the issuance of any approvals, permits, certificates, or acceptances does not, and shall not, in any way be deemed to insure the District, or any of its successors, assigns, tenants, or licensees, or any third party, against damage or injury of any kind at any time. This Section shall not be construed to limit or waive any immunity available to the Village pursuant to applicable law.

9.3. **Indemnification.** The Village and the District shall indemnify, hold harmless, and defend each other, their individual Board members, agents, officials, volunteers, and employees, against all injuries, deaths, losses, damages, claims, suits, liabilities, liens, including mechanic's liens, judgments, costs and expenses, including reasonable attorney's fees, which may in any way arise from or accrue against the other Party as a consequence of this any act or omission pursuant to this Agreement or which may in any way result therefrom, other than those indemnified matters which arise from or relate to the Village or the District's willful or wanton misconduct. The provisions of this Section and any other indemnification obligations on the part of the Village or the District shall survive the termination or expiration of this Agreement for a period of two (2) years.

9.4. **District's Insurance.** After conveyance of 260 Madison to the District under this Agreement, the District, until construction of the Project is complete, shall obtain or cause to be obtained and continuously maintain insurance on the Project as set forth below and, from time to time at the request of the Village, furnish proof to the Village that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage described below is the minimum insurance coverage that the District must obtain and continuously maintain:

9.4.1. **Worker's Compensation.** Worker's compensation insurance, with statutory coverage, only to the extent applicable.

9.4.2. **Commercial General Liability (Primary and Umbrella).** General Liability Insurance or equivalent with limits of not less than \$1,000,000 per occurrence and

not less than \$3,000,000 in the aggregate for bodily injury, and property damage liability or self-insurance for an equivalent amount. Coverages shall include the following: all premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The Village, its individual Board members, agents, officials, volunteers, and employees are to be named as additional insureds on a primary, non-contributory basis for any liability on said policy.

9.4.3. **Automobile Liability (Primary and Umbrella).** Automobile liability, primary and umbrella, insurance shall be provided for any motor vehicles (owned, non-owned and hired) are used in connection with work to be performed for the Project. The District shall purchase and maintain Automobile Liability Insurance with limits of not less than \$1,000,000 combined single limit or self-insurance for an equivalent amount. The Village, its individual Board members, agents, officials, volunteers, and employees are to be named as additional insureds on a primary, non-contributory basis for any liability on said policy.

9.4.4. **Professional Liability.** When any architects, engineers or professional consultants perform work in connection with this Agreement, the District shall cause to be provided, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000.

9.4.5. **Builder's Risk Insurance.** Builder's Risk Insurance in an amount equal to the value of the Administration Building to be constructed at 260 Madison.

9.5. **Village's Insurance.** During the demolition and remediation of 260 Madison under this Agreement, the Village shall obtain or cause to be obtained and continuously maintain insurance as set forth below, and shall furnish proof to the District that the premiums for such insurance have been paid and the insurance is in effect. The insurance coverage described below is the minimum insurance coverage that the Village must obtain and continuously maintain:

9.5.1. **Workers Compensation.** Workers compensation insurance, with statutory coverage, only to the extent applicable.

9.5.2. **Commercial General Liability (Primary and Umbrella).** Commercial General Liability Insurance or equivalent with limits of not less than \$2,000,000 per occurrence for bodily injury, and property damage liability or self-insurance for an equivalent amount. Coverages shall include the following: all premises and operations, products/completed operations, explosion, collapse, underground, separation of insureds, defense, and contractual liability (with no limitation endorsement). The District its individual Board members, agents, officials, volunteers, and employees are to be named as additional insureds on a primary, non-contributory basis for any liability on said policy.

9.5.3. **Automobile Liability (Primary and Umbrella).** Automobile liability, primary and umbrella, insurance shall be provided for any motor vehicles (owned,

non-owned and hired) are used in connection with work to be performed. The Village shall purchase and maintain Automobile Liability Insurance with limits of not less than \$1,000,000 per occurrence or self-insurance for an equivalent amount. The District, its individual Board members, agents, officials, volunteers, and employees are to be named as additional insureds on a primary, non-contributory basis for any liability on said policy.

9.5.4. **Professional Liability.** When any architects, engineers or professional consultants perform work in connection with this Agreement, the Village shall cause to be provided, Professional Liability Insurance covering acts, errors, or omissions shall be maintained with limits of not less than \$1,000,000.

9.6. **Insurer Ratings.** All insurance required pursuant to this Section 9 shall be obtained and continuously maintained in responsible insurance companies selected by the Developer or its successors and approved by the Village having at a minimum of a Best rating of "A" and a financial size category of Class M or better in Best's Insurance Guide that are authorized under the laws of the State to assume the risks covered by such policies. Each policy must contain a provision that the insurer will not cancel nor materially modify the policy without giving written notice to the insured and the Village at least thirty (30) days before the cancellation or modification becomes effective. Not less than fifteen (15) days prior to the expiration of any policy, the Developer, or its successor or assign, must renew the existing policy or replace the policy with another policy conforming to the provisions of this Section. In lieu of separate policies, the District and the Village, or their successors may maintain a single policy, blanket or umbrella policies, or a combination thereof, having the coverage required herein.

9.7. **District Contractors.** Any contracts made by the District with any general contractor, agent, employee, independent contractor or any other person in connection with the Project or any subcontractor shall contain the indemnification and insurance requirements as set forth in Sections 9.3, 9.4 and 9.6 above.

9.8. **No Personal Liability of Village or District Officials.** No covenant or term contained in this Agreement shall be deemed to be the agreement of any official, agent, employee, consultant or attorney of the Village or the District, in his or her individual capacity, and no official, employee, consultant or attorney of the Village or the District shall be liable personally under this Agreement or be subject to any personal liability or accountability by reason of or in connection with or arising out the execution, delivery, and performance of this Agreement, or any failure in connection therewith.

SECTION 10: TERM OF AGREEMENT AND PRIOR AGREEMENTS NO LONGER IN EFFECT.

10.1. **Term.** This Agreement shall be effective on the Effective Date and shall terminate on the later of the following to occur: (1) December 31, 2018; or (2) the date on which the final payment of TIF Funds are paid to the District pursuant to Section 5 of this Agreement.

10.2. **Prior Agreements no Longer in Effect.** The 1995 Agreement and the 2007 Agreement between the Parties (“Prior Agreements”) concerning annual payments and other matters pertaining to the TIF District are superseded and replaced by this Agreement and the Prior Agreements shall be unenforceable and no longer in effect.

SECTION 11: EFFECT OF THIS AGREEMENT.

11.1. **Supersede Other Agreements.** If any pertinent prior agreement or interpretation thereof, between the parties, is inconsistent with or conflicts with any provision of this Agreement, then the provisions of this Agreement shall supersede the terms of said inconsistent prior agreement.

11.2. **Entire Agreement.** With the exception of an Intergovernmental Lease Agreement regarding use of the Village’s Public Works Facility, which is being executed by the Parties concurrently with this Agreement, and which approval of said agreement is a necessary condition for the effectiveness of this Agreement, this Agreement contains the entire agreement between the parties respecting the matters herein set forth and supersedes all prior agreements among the Parties hereto respecting such matters, if any, there being no other oral or written promises, conditions, representations, understandings, warranties or terms of any kind as conditions or inducements to the execution hereof and none have been relied upon by either party.

11.3. **Negotiations Merged.** All negotiations between the parties are merged in this Agreement, and there are no understandings or agreements, verbal or written, other than those incorporated in this Agreement.

11.4. **Amendments and Modifications.** No agreement, amendment, modification, understanding or waiver of or with respect to this Agreement or any term, provision, covenant or condition hereof, nor any approval or consent given under or with respect to this Agreement, shall be effective for any purpose unless contained in writing signed by the party against which such agreement, amendment, modification, understanding, waiver, approval or consent is asserted.

11.5. **Presumptions and Interpretation.** This Agreement shall be deemed to have been negotiated by and between the parties such that no presumption of draftsmanship shall inure to the detriment or benefit to either party. Moreover, this Agreement is to be liberally construed in order to give force and effect of the interest of parties to effectuate the orderly and efficient construction, completion and maintenance of the Project contemplated herein.

11.6. **Repealer.** To the extent that any ordinance, resolution, rule, order or provision of the Village Code, or any part thereof, is in conflict with the provisions of this Agreement, the provisions of this Agreement shall be controlling to the extent lawfully permitted.

SECTION 12: TERMINATION AND NON-WAIVER.

12.1. **Termination.** In the event District or the Village shall be prohibited in any material respect from performing covenants and agreements or enjoying the rights and privileges herein contained, including the District's duty to construct the Project, by the order of any court of competent jurisdiction or in the event that all or any part of any ordinances adopted by the Village in connection with the Project shall be declared invalid or unconstitutional, in whole or in part, by a final decision of a court of competent jurisdiction and such declaration shall materially affect the Project, or the covenants and agreements or rights and privileges of District or the Village, then in any such event, the party materially affected may, at its election, cancel or terminate this Agreement with respect to that portion of the Project materially affected by giving written notice thereof to the other party within sixty (60) days after such final decision or amendment.

12.2. **Non-Waiver by a Party.** Except as herein expressly provided, no waiver by a party of any breach of this Agreement by the other party shall be deemed to be a waiver of any other breach by such other party (whether preceding or succeeding and whether or not of the same or similar nature), and no acceptance of payment or performance by a Party after any breach by the other party shall be deemed to be a waiver of any breach of this Agreement or of any representation or warranty hereunder by such other party whether or not the first party knows of such breach at the time it accepts such payment or performance.

12.3. **Failure to Exercise any Right.** No failure or delay by a Party to exercise any right it may have by reason of the default of any other party shall operate as a waiver of default or as a modification of this Agreement or shall prevent the exercise of any right by the first party while the other party continues to be so in default.

12.4. **Cumulative Remedies.** The Parties' rights and remedies hereunder shall be cumulative, and the exercise of any rights or remedies shall neither preclude enforcement of other rights and remedies nor waive other rights and remedies. The failure of either Party to exercise any rights or remedies shall neither preclude enforcement of any rights or remedies nor constitute a waiver of any rights or remedies.

SECTION 13: GOVERNING LAW, VENUE, ENFORCEABILITY AND SEVERABILITY.

13.1. **Governing Law and Venue.** This Agreement shall be governed by the laws of the State of Illinois both as to interpretation and performance, and any legal proceeding of any kind arising from this Agreement shall be filed in the Circuit Court of Cook County, Illinois.

13.2. **Enforceability.** This Agreement shall be enforceable by any of the parties hereto by an appropriate action at law or in equity to secure the performance of the covenants and terms of this Agreement. Prior to filing any lawsuit in court, the party intending to file a lawsuit shall request that a representative of both parties meet to discuss the claimed cause of action and attempt to resolve the dispute.

13.3. **Severability.** If any of the provisions of this Agreement are determined by a court of competent jurisdiction to be invalid, such provisions shall be deemed to be stricken, and such adjudication shall not affect the validity of the remainder of the terms of this Agreement as a whole or of any section, subsection, sentence or clause not adjudged to be invalid. Provided, however, that if the Project is no longer TIF-eligible under the TIF Act, this Agreement will terminate.

SECTION 14: NOTICES.

14.1. **Service of Notices upon the Parties.** All notices, certificates, approvals, consents or other communications desired or required to be given hereunder shall be given in writing at the addresses set forth below, by any of the following means: (a) overnight courier with evidence of deposit and delivery confirmation; (b) certified U.S. first class mail, postage prepaid, return receipt requested; (c) priority mail with deposit and delivery confirmation; or (d) email or facsimile with deposit and delivery confirmation.

If to the Village: Village Manager
Village of Oak Park
123 Madison Street
Oak Park, Illinois 60302
Facsimile: (708) 358-5101
Email: villagemanager@oak-park.us

If to the District: Superintendent
Oak Park School District No. 97
970 Madison Street
Oak Park, Illinois 60302
Facsimile: (708) 524.3019
Email: aroberts@op97.org

14.2. **Designation of Different Addresses.** The Parties, by notice hereunder, may designate any further or different addresses to which subsequent notices, certificates, approvals, consents or other communications shall be sent. Any notice, demand or request sent pursuant to either clause (a) or (b) hereof shall be deemed received upon such personal service or upon dispatch by electronic means. Any notice, demand or request sent pursuant to clause (c) shall be deemed received on the day immediately following deposit with the overnight courier, and any notices, demands or requests sent pursuant to clause (d) shall be deemed received forty-eight (48) hours following deposit in the mail.

SECTION 15: NO RIGHTS TO THIRD PARTIES AND NO JOINT VENTURE CREATED.

15.1. **Third Parties.** Nothing in this Agreement, whether expressed or implied, is intended to confer any rights or remedies under or by reason of this Agreement on any other person other than the Village and the District, nor is anything in this Agreement intended to relieve or discharge the obligation or liability of any third persons to either the Village or District, nor shall any provision give any third parties any rights or subrogation or action over

or against either the Village or the District. This Agreement is not intended to and does not create any third party beneficiary rights whatsoever.

15.2. **No Joint Venture, Agency or Partnership Created.** Nothing in this Agreement, or any actions 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.

SECTION 16: REPRESENTATIONS AND WARRANTIES.

16.1. **By the Village.** The Village represents, warrants and agrees as the basis for the undertakings on its part contained in this Agreement that:

16.1.1. The Village is a municipal corporation duly organized and validly existing under the law of the State of Illinois and has all requisite corporate power and authority to enter into this Agreement;

16.1.2. The execution, delivery and the performance of this Agreement and the consummation by the Village of the transactions provided for herein and the compliance with the provisions of this Agreement: (i) have been duly authorized by all necessary action on the part of the Village; (ii) require no other consents, approvals or authorizations on the part of the Village in connection with the Village's execution and delivery of this Agreement; and (iii) shall not, by lapse of time, giving of notice or otherwise, result in any breach of any term, condition or provision of any indenture, agreement or other instrument to which the Village is subject; and

16.1.3. To the best of the Village's knowledge, there are no proceedings pending or threatened against or affecting the Village or the 260 Madison property in any court or before any governmental authority that involves the possibility of materially or adversely affecting the ability of the Village to perform its obligations under this Agreement.

16.2. **By the District.** The District represents, warrants and agrees as the basis for the undertakings on its part contained in this Agreement that:

16.2.1. The District is a school district duly organized and validly existing under the law of the State of Illinois and has all requisite corporate power and authority to enter into this Agreement;

16.2.2. The execution, delivery and the performance of this Agreement and the consummation by the District of the transactions provided for herein and the compliance with the provisions of this Agreement: (i) have been duly authorized by all necessary action on the part of the District; (ii) require no other consents, approvals or authorizations on the part of the District in connection with the District's execution and delivery of this Agreement; and (iii) shall not, by lapse of time, giving of notice or otherwise, result in any breach of any term, condition or provision of any indenture, agreement or other instrument to which the District is subject; and

16.2.3. To the best of the District's knowledge, there are no proceedings pending or threatened against or affecting the District or the 970 Madison property in any court or before any governmental authority that involves the possibility of materially or adversely affecting the ability of the District to perform its obligations under this Agreement.

SECTION 17: **COUNTERPARTS AND AUTHORITY TO EXECUTE**

17.1. **Counterparts.** This Agreement shall be executed in counterparts, each of which shall be considered an original and together shall be one and the same Agreement.

17.2. **Authority to Execute.** The individuals executing this Agreement on behalf of the Parties represent that they have the legal power, right, and actual authority to bind their respective parties to the terms and conditions of this Agreement.

**[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK-
SIGNATURE PAGE FOLLOWS]**

IN WITNESS WHEREOF, the Parties hereto have each caused this Agreement to be executed by proper officers duly authorized to execute the same as of the date set forth beneath the signatures of their respective officers set forth below.

VILLAGE OF OAK PARK

**BOARD OF EDUCATION OF OAK PARK
ELEMENTARY SCHOOL DISTRICT NUMBER
97**

By: Cara Pavlicek
Its: Village Manager

Date: _____

ATTEST

By: Bob Spatz
Its: Board President

Date: _____

ATTEST

By: Teresa Powell
Its: Village Clerk

Date: _____

By: Sheryl Marinier
Its: Board Secretary

Date: _____

288660_1

EXHIBIT A

MEMORANDUM OF UNDERSTANDING

MEMORANDUM OF UNDERSTANDING
BETWEEN THE VILLAGE OF OAK PARK AND THE BOARD OF EDUCATION
OF OAK PARK ELEMENTARY SCHOOL DISTRICT NUMBER 97

THIS MEMORANDUM OF UNDERSTANDING is entered into this ____ day of _____, 2014, between the Village of Oak Park, an Illinois home rule municipal corporation (hereinafter referred to as the "Village") and the Board of Education of Oak Park Elementary School District Number 97, a school district organized under the Illinois School Code, 105 ILCS 5/1-1 *et seq.* (hereinafter referred to as the "District").

RECITALS

WHEREAS, the Village previously adopted in February of 1995 the Madison Street Business Corridor Tax Increment Financing Redevelopment Plan and Project ("Madison Plan") for the Village's Madison Street Business Corridor Redevelopment Project Area ("Madison TIF District") pursuant to the Tax Increment Allocation Redevelopment Project Act, 65 ILCS 5/11-74.4-1 *et seq.* ("TIF Act"); and

WHEREAS, as a result of the creation of the Madison TIF District, the Village entered into an Intergovernmental Agreement with the District dated February 6, 1995 ("1995 Agreement") and an Intergovernmental Agreement dated April 25, 2007 with the District ("2007 Agreement") concerning annual payments and other matters pertaining to the Madison TIF District, which agreements are limited to the Madison TIF District through tax year 2018 to be paid in 2019, and these agreements shall be held in abeyance and not be enforced as more fully set forth herein; and

WHEREAS, the Madison Plan includes the following activities which may be undertaken by the Village to promote the goals and objectives of the Madison Plan:

1. Enter into contracts necessary to implement the Madison Plan;
2. Acquire property and assemble redevelopment sites;
3. Clear any area by demolition or removal of existing buildings and structures;
4. Install, repair, construct, reconstruct or relocate streets, utilities, and site improvements essential to the preparation of the redevelopment area;
5. Construct public facilities; and
6. Exercise any and all other powers necessary to effectuate the purposes of the TIF Act; and

WHEREAS, it is necessary that the Madison Plan be amended pursuant to this Memorandum of Understanding to add the construction of a school facility, i.e., a new District

administration building, as an activity that may be undertaken by the Village pursuant to the Madison Plan so that the Village may fund the construction of a new District administration building on property owned by the Village at the property commonly known as 260 Madison, Oak Park, Illinois ("260 Madison") located within the Madison TIF District; and

WHEREAS, the Village shall transfer ownership of 260 Madison to the District and the District shall transfer ownership of the District's property commonly known as 970 Madison, Oak Park, Illinois ("970 Madison"), located within the Madison TIF District, to the Village so that the Village may effectuate the private redevelopment of 970 Madison; and

WHEREAS, pursuant to this Memorandum of Understanding, it is contemplated that the District will relocate its Maintenance Facility at the property commonly known as 541 Madison, Oak Park, Illinois ("541 Madison"), located within the Madison TIF District, to a portion of the Village's Public Works Center located at the property commonly known as 201 South Boulevard, Oak Park, Illinois ("Public Works Center") and that the District will use its best efforts to sell 541 Madison pursuant to State law; and

WHEREAS, Section 11-74.4-3(q) of the TIF Act, 65 ILCS 5/11-74.4-3(q), authorizes the Village to incur "redevelopment project costs," which include "the sum total of all reasonable or necessary costs incurred or estimated to be incurred, and any such costs incidental to a redevelopment plan and a redevelopment project;" and

WHEREAS, under Section 11-74.4-3(q)(3) of the TIF Act, 65 ILCS 5/11-74.4-3(q)(3), such incremental ad valorem taxes which have been collected and are allocated to pay redevelopment project costs and obligations incurred in the payment thereof ("Increment") may be used to pay all or a portion of a taxing district's "cost of replacing an existing public building if pursuant to the implementation of a redevelopment project the existing public building is to be demolished to use the site for private investment or devoted to a different use requiring private investment;" and

WHEREAS, under Section 11-74.4-3(q)(7) of the TIF Act, 65 ILCS 5/11-74.4-3(q)(7), such Increment may be used to pay all or a portion of a taxing district's capital costs resulting from a redevelopment project necessarily incurred or to be incurred in furtherance of the objectives of the redevelopment plan and project, to the extent the municipality by written agreement accepts and approves such costs; and

WHEREAS, under Section 11-74.4-3(q)(8) of the TIF Act, 65 ILCS 5/11-74.4-3(q)(8), such Increment may be used to pay all or a portion of a taxing district's "[r]elocation costs to the extent that a municipality determines that relocation costs shall be paid;" and

WHEREAS, the District is a taxing district under the TIF Act; and

WHEREAS, with the amendment of the Madison Plan set forth above, the activities contemplated herein to be undertaken by the Village shall be authorized by the Madison Plan and are TIF eligible redevelopment project costs pursuant to the provisions of the TIF Act cited above; and

WHEREAS, Article VII, Section 10 of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, authorize units of local government to contract or otherwise associate among themselves to obtain or share services, to exercise, combine or transfer any power or function, in any manner not prohibited by law; and

WHEREAS, the Village and the District (collectively referred to as “the Parties”) are public agencies as that term is defined in the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*; and

WHEREAS, the Local Government Property Transfer Act, 50 ILCS 605/0.01 *et seq.*, further provides the Village and the District with the authority “to transfer all of the right, title and interest” held by either Party to the other Party upon such terms as are agreeable to the Parties; and

WHEREAS, pursuant to the terms set forth herein, the Parties have determined to enter into this Memorandum of Understanding to provide for the terms by which the Parties shall exchange certain parcels of property located within the Madison TIF District, and the Village shall reimburse the District for redevelopment project costs, all pursuant to Article VII, Section 10 of the Illinois Constitution of 1970, the Intergovernmental Cooperation Act, the Local Government Property Transfer Act and the TIF Act.

NOW, THEREFORE, pursuant to the authority set forth above and any and all other applicable laws, and in consideration of the mutual covenants and obligations contained herein, it is agreed between the Village and the District as follows:

1. **Recitals Incorporated.** The above recitals are incorporated herein as though fully set forth.

2. **Prior Intergovernmental Agreements.** The 1995 Agreement and the 2007 Agreement shall be held in abeyance and not be enforced until such time as the parties enter into a new intergovernmental agreement pursuant to Section 6.2 below. If the parties are unable to enter into a new intergovernmental agreement within the time set forth in Section 6.2, the Parties shall comply with, and fulfill, the terms of the 1995 Agreement and the 2007 Agreement.

3. **Construction of a new District Administration Building.** The Village shall fund the construction of a new District Administration Building (“Building”), subject to the following:

3.1. The Building shall be constructed at 260 Madison;

3.2. The Village will pay the costs of demolition of the current existing building at 260 Madison, estimated to be \$250,000, and the costs of environmental remediation at 260 Madison in preparation for construction, estimated to be \$100,000, as TIF eligible redevelopment project costs;

- 3.3. The District shall be responsible for the construction of the Building, generally to include architectural, engineering, and construction costs, upon the Village's completion of the demolition of the existing building at 260 Madison and the environmental remediation of the property;
- 3.4. The Village shall reimburse the District for the costs of the Building set forth in Section 3.3 above, not to exceed \$6,300,000, as TIF eligible redevelopment project costs; and
- 3.5. The Village shall establish an escrow account in the amount of \$6,300,000 to reimburse the District for the costs of the Building. The Parties shall establish a process for payments to be made from the escrow account in the new intergovernmental agreement between the Parties which shall include approvals by the Parties' authorized representatives and a list by categories of approved expenses.

4. **Exchange of Properties Located within the Madison TIF District.** In exchange for the Village's commitments set forth in Sections 2 and 3 above, the District shall transfer ownership of 970 Madison to the Village. The transfer of 970 Madison shall occur after the issuance of an occupancy permit for the District's Building pursuant to Section 3 above. In advance of the exchange of the properties set forth in this Section 4, the District shall execute a letter of representation to allow the Village to market 970 Madison for private sale and redevelopment. Upon the effective date of this Memorandum of Understanding and the District's engagement of an architect for the design of its Building and notice to the Village of such engagement, the Village shall use best efforts to begin the environmental remediation of 260 Madison.

5. **Relocation of District Maintenance Facility located within the Madison TIF District.** Immediately upon the satisfaction of the contingencies set forth in Section 6 below, the District shall use its best efforts to sell 541 Madison pursuant to terms satisfactory to the District. The District shall immediately market 541 Madison for sale upon the effective date of a new intergovernmental agreement between the parties. The District shall be entitled to retain the proceeds from the sale of 541 Madison. Prior to the completion of the sale of 541 Madison, the Village and the District shall enter into an intergovernmental agreement for the relocation of the District's Maintenance Facility to a portion of the Village's Public Works Center located outside the Madison TIF District rent free for a period of 40 years. The District shall be permitted to relocate its Maintenance Facility to a portion of the Village's existing Public Works Center upon the sale of 541 Madison or by December 31, 2017, whichever comes first. The District's relocation of its Maintenance Facility to a portion of the Village's Public Works Center must occur prior to the termination of the designation of the Madison TIF District.

6. **Contingencies.** The terms of this Memorandum of Understanding shall be contingent upon the following:

- 6.1. The successful amendment of the Madison Plan to include the construction of a school facility as a TIF eligible redevelopment project cost pursuant to the required process under the TIF Act; and
- 6.2. The entry by the Parties into a new intergovernmental agreement consistent with the terms of this Memorandum of Understanding, which shall include a provision that the 1995 Agreement and the 2007 Agreement between the Parties concerning annual payments and other matters pertaining to the Madison TIF District shall be superseded and replaced by the intergovernmental agreement to be entered into between the Parties pursuant to this Memorandum of Understanding. The new intergovernmental agreement shall be approved by the Village concurrent with the amendment of the Madison Plan as set forth in Section 6.1 above, and the District shall approve the new intergovernmental agreement within seven (7) days thereafter or within a time period as agreed to in writing by the Parties.

7. **Binding Authority.** The individuals executing this Memorandum of Understanding on behalf of the Village and the District represent that they have the legal power, right, and actual authority to bind the Village and the District to the terms and conditions set forth herein.


8. **Effective Date.** The effective date of this Memorandum of Understanding as reflected above shall be the last date that it is executed by one of the Parties as reflected below.

9. **Counterparts.** This Memorandum of Understanding may be executed in counterparts, each of which shall be an original and all of which shall constitute one and the same document.

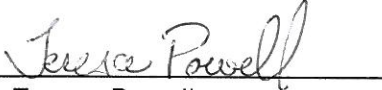
[REMAINDER OF PAGE INTENTIONALLY LEFT BLANK -
SIGNATURE PAGE FOLLOWS]

IN WITNESS WHEREOF, the Parties hereto have each caused this Memorandum of Understanding to be executed by proper officers duly authorized to execute the same as of the date set forth beneath the signatures of their respective officers set forth below.

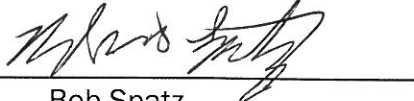
VILLAGE OF OAK PARK


By: Cara Pavlicek
Its: Village Manager
Date: 10-21-14


ATTEST


By: Teresa Powell
Its: Village Clerk
Date: 10-21-14

BOARD OF EDUCATION OF OAK PARK
ELEMENTARY SCHOOL DISTRICT NUMBER
97


By: Bob Spatz
Its: Board President
Date: 10/21/2014

ATTEST


By: Sheryl Marinier
Its: Board Secretary
Date: 10-21-2014

REVIEWED AND APPROVED
AS TO FORM

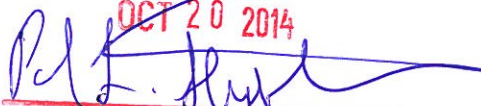

OCT 20 2014
LAW DEPARTMENT

EXHIBIT B

LEGAL DESCRIPTION OF 260 MADISON

Parcel 1:

Lots 10, 11, 12, 13, 14 and 15 (except the west 18 feet of Lot 15) in Block 8 in Close's Subdivision of parts of Blocks 45, 48, 55 and 58 and all of Blocks 46, 47, 56 and 57 in Village of Ridgeland, being a Subdivision of the East $\frac{1}{2}$ of the East $\frac{1}{2}$ of Section 7, and the Northwest $\frac{1}{4}$ and the West $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 8, Township 39 North, Range 13, East of the Third Principal Meridian, in Cook County, Illinois.

Parcel 2:

Lots 88 and 89 in O.R. Erwins Subdivision of the South 1466.5 feet of the East $\frac{1}{2}$ of the West $\frac{1}{2}$ of the Southwest $\frac{1}{4}$ of Section 8, Township 39 North, range 13, East of the Third Principal Meridian, except railroad right-of-way, in Cook County, Illinois.

EXHIBIT C

LEGAL DESCRIPTION OF 970 MADISON

Lots 13, 14, 15 and the South 10 feet of Lot 16, in Block 3 of Herrick and Dunlap's Subdivision of Lots 12 to 17, inclusive, in George Scoville's Subdivision of the East 49 acres of the West 129 acres of the Southwest quarter (except railroad lands), in Section 7, Township 39 North, Range 13 East of the Third Principal Meridian, in Cook County, Illinois.

EXHIBIT D

PROJECT BUDGET/TIF-FUNDED IMPROVEMENTS

<u>Task</u>	<u>Project Estimate</u>
Design	
Construction	
Administration	
Contingencies	
Total	\$6,300,000.00

EXHIBIT E

REQUISITION FORM

State of Illinois)
) SS
County of Cook)

The affiant, Elementary School District 97 of the Board of Education of Oak Park Elementary School District Number 97 ("District"), a school district organized under the Illinois School Code, 105 ILCS 5/1-1 *et seq.*, hereby certifies that with respect to that certain Intergovernmental Agreement between the Board and the Village of Oak Park, dated _____, 2014, regarding the District's New Administration Building (the Agreement):

A. The following is a true and complete statement of all expenditures for the Administration Building to date:

TOTAL: \$ _____

B. This paragraph B sets forth and is a true and complete statement of all costs of the TIF-Funded construction of the Administration Building reimbursed by the Village to date:

TOTAL \$ _____

C. The District requests reimbursement for the following cost of the TIF-Funded construction of the Administration Building:

TOTAL \$ _____

D. None of the costs referenced in paragraph C above have been previously reimbursed by the Village.

E. The District hereby certifies to the Village that as of the date hereof:

1. Except as described in the attached certificate, the representations and warranties contained in the Agreement are true and correct and the District is in compliance with all applicable covenants contained therein.

2. No event of default or condition or event which, with the giving of notice or passage of time or both, would constitute an event of default, exists or has occurred.

3. The District is in compliance with all applicable federal, state and local laws, statutes, ordinances, rules, regulations, codes and executive orders, as well as all policies, programs and procedures of the Board, all as may be in effect or as amended from

time to time, pertaining to or affecting the construction of the Administration Building, or the District as related thereto.

F. Attached hereto are: (1) a cost itemization of the applicable portions of the budget attached as **Exhibit D** to the Agreement; and (2) evidence of the expenditures upon TIF-Funded construction for which the District hereby seeks reimbursement.

All capitalized terms which are not defined herein have the meanings given such terms in the Agreement.

**THE BOARD OF EDUCATION OF THE
VILLAGE OF OAK PARK, ELEMENTARY
SCHOOL DISTRICT 97**

Agreed and Accepted:
VILLAGE OF OAK PARK

By: _____
[Print Name] _____
Title: _____

288660_1

By: _____
Cara Pavlicek, Village Manager