

INTERGOVERNMENTAL AGREEMENT

THIS INTERGOVERNMENTAL AGREEMENT, dated as of _____, 2016 (the "**Agreement**"), is entered into by the CITY OF GENESEO, HENRY COUNTY, ILLINOIS ("**City**"), GENESEO UNIT SCHOOL DISTRICT #228 ("**District #228**"), GENESEO TOWNSHIP ("**Township**"), GENESEO ROAD DISTRICT ("**Road District**"), GENESEO PARK DISTRICT ("**Park District**"), GENESEO LIBRARY DISTRICT ("**Library District**"), HAMMOND HENRY HOSPITAL DISTRICT ("**HOSPITAL**") AND THE GENESEO FIRE DISTRICT ("**Fire District**"), and collectively the "**Local Governments**").

IN CONSIDERATION OF the recitals and the mutual covenants and agreements set forth in this Agreement, the Districts agree as follows:

Section 1. BACKGROUND.

A. The City, School District 228, Township, Road District, Park District, Library District, Hospital, and Fire District are duly constituted and existing units of local government within the meaning of Section 1 and Section 10 of Article VII of the 1970 Constitution of the State of Illinois ("**1970 Illinois Constitution**"), each operating under applicable provisions of the Illinois Municipal Code, 65 ILCS 5/1-1-1 *et seq.*, Illinois School Code, 105 ILCS 5/1-1 *et seq.*, Illinois Township Code, 60 ILCS 1/1-1 *et seq.*, Illinois Park District Code, 70 ILCS 1205/1-1 *et seq.*, Illinois Public Library District Act, 75 ILCS 16/1-1 *et seq.*, Illinois Hospital District Act, 70 ILCS 910/1 *et seq.*, Illinois Fire Protection District Act 70 ILCS 705/0.01 *et seq.*

B. Section 10 of Article VII of the 1970 Illinois Constitution authorizes the Local Governments to contract or 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 or ordinance. Under Section 10, the Local Governments may use their credit, revenues and other resources to pay costs and to service debt related to intergovernmental activities.

C. The Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.* ("**Cooperation Act**"), provides that any power or powers, privileges, functions, or authority exercised or which may be exercised by any "public agency" of the State of Illinois may be exercised, combined, transferred, and enjoyed jointly with any other public agency except where specifically and expressly prohibited by law. Under the Cooperation Act, the term "public agency" includes any "unit of local government" as defined in the 1970 Illinois Constitution and school districts.

D. The Local Governments benefit from the increase in the equalized assessed value of property within their respective taxing jurisdictions. Increased equalized assessed valuation of real property increases available revenues for the Local Governments, enabling each to expand and improve their respective services to their constituents.

E. Maple Leaf Farm, L.L.C., an Illinois limited liability company ("**Developer**"), proposes to develop a 244 unit single family subdivision on the approximately 121.10 acre property legally described in **Exhibit A** attached to and, by this reference, made a part of this Agreement ("**Subdivision**"). The development of the Subdivision will significantly increase the equalized assessed valuation of property within the taxing jurisdictions of the Local

Governments, generating significant revenues for the Local Governments, enabling each to expand and improve their respective services to their constituents.

F. The Illinois Department of Transportation ("**IDOT**") has determined that certain turn lane improvements, depicted more specifically on drawing ____ of the Plans prepared by _____ dated _____ ("Traffic Improvements"), are necessary for the public safety of the residents of the Subdivision. The Developer has requested and the Local Governments have agreed to assist in the costs for the construction of the Traffic Improvements.

G. The Local Governments, pursuant to their respective authority under the 1970 Illinois Constitution and Cooperation Act, desire to enter into this Agreement to establish the terms for contributing to and sharing with the Developer the costs for constructing the Traffic Improvements.

Section 2. CONSTRUCTION FINANCING; REPORTING REQUIREMENTS.

A. The City will, in accordance of the terms of an agreement with the Developer, construct the Traffic Improvements for an amount not to exceed \$400,000.00.

B. The other Local Governments will reimburse the City for each of their respective pro-rata shares of the actual and final cost of constructing the Traffic Improvements in accordance with the terms of their respective Reimbursement Schedules attached hereto. In no event will the cumulative total of property taxes pledged under this Agreement by the Local Governments exceed \$400,000.00, plus any accrued interest in accordance with the terms of the Reimbursement Schedule.

C. Any balance remaining from any Local Government to the City as of November 1, 2030 shall be due in full on or before December 30, 2030, unless another agreement for the payment thereof has been approved by the City and the respective party.

Section 3. TERMINATION OF AGREEMENT; WAIVER.

A. This Agreement will terminate on the earliest to occur of the following:

1. December 31, 2030; or
2. The date on which the City declares the funds for the turn lanes have been received in full; or
3. The date on which any Local Government that is a party to this Agreement approves or takes action, directly or indirectly through others, to contest in any court of law, the failure by the Developer to undertake any responsibility, obligation, or covenant as provided in that certain development agreement that will be entered between the Developer and the City and that will be recorded in the Office of the Henry County Recorder against the property that the Subdivision will be developed on.

B. The Local Governments will forever waive any right each may possess to challenge the terms of this Agreement, in law or at equity, for any reason whatsoever, including,

without limitation, the constitutional and statutory authority under which this Agreement is established or the procedures followed in connection with the adoption of this Agreement.

Section 4. MISCELLANEOUS.

A. Notice. Any notice or communication required or permitted to be given under this Agreement will be in writing and will be delivered (i) personally, (ii) by a reputable overnight courier, (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, (iv) by facsimile, or (v) electronic mail ("*e-mail*"). Facsimile notices will be deemed valid only to the extent that they are (a) actually received by the individual to whom addressed and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three business days thereafter at the appropriate address set forth below. E-mail notices shall be deemed valid only to the extent that they are (a) opened by the recipient on a business day at the address set forth below, and (b) followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three business days thereafter at the appropriate address set forth below. Unless otherwise provided in this Agreement, notices will be deemed received after the first to occur of (a) the date of actual receipt; or (b) the date that is one (1) business day after deposit with an overnight courier as evidenced by a receipt of deposit; or (b) the date that is three (3) business days after deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section 6.A, each party to this Agreement shall have the right to change the address or the addressee, or both, for all future notices and communications to them, but no notice of a change of addressee or address shall be effective until actually received.

Notices to the City will be sent to:

City Administrator
City of Geneseo
115 South Oakwood Avenue
Geneseo, Illinois 61254

With a copy to:

Ancel Glink et. al.
140 South Dearborn Street
6th Floor
Chicago, IL 60603
ATTN: David S. Silverman
Fax: 312.782.0943
E-mail: dsilverman@ancelglink.com

Notices to Geneseo Unit School District #228 shall be sent to:

Superintendent
Geneseo Unit School District #228
648 North Chicago Street
Geneseo, Illinois 61254

Notices to Geneseo Township and Geneseo Road District shall be sent to:

Township Supervisor
Geneseo Township
690 South Chicago Street
Geneseo, Illinois 61254

Notices to Geneseo Park District shall be sent to:

Executive Director
Geneseo Park District
541 East North Street
Geneseo, Illinois 61254

Notices to Geneseo Library District shall be sent to:

Head Librarian
Geneseo Public Library
805 North Chicago Street
Geneseo, Illinois 61254

Notice to Hammond Henry Hospital District shall be sent to:

Chief Executive Officer
Hammond Henry Hospital
600 North College Avenue
Geneseo, IL 61254

Notices to the Geneseo Fire Protection District shall be sent to:

President of the Board
Geneseo Fire Protection District
209 South Oakwood Avenue
Geneseo, IL 61254

B. Time of the Essence. Time is of the essence in the performance of this Agreement.

C. Governing Law. This Agreement shall be governed by, and enforced in accordance with, the internal laws, but not the conflicts of laws rules, of the State of Illinois.

D. Non-Severability. If any term, covenant, condition, or provision of this Agreement is held by a court of competent jurisdiction to be invalid, void, or unenforceable, the entire remainder of this Agreement shall, thereafter, be null and void and of no further force and effect, it being the intent of the parties that all of the provisions of this Agreement be treated as an individual whole.

E. Entire Agreement. This Agreement constitutes the entire agreement between the parties and supercedes any and all prior agreements and negotiations between the parties, whether written or oral, relating to the subject matter of this Agreement.

F. Interpretation. This Agreement shall be construed without regard to the identity of the party who drafted the various provisions of this Agreement. Moreover, each and every provision of this Agreement shall be construed as though all parties to this Agreement participated equally in the drafting of this Agreement. As a result of the foregoing, any rule or construction that a document is to be construed against the drafting party shall not be applicable to this Agreement.

G. Amendments and Modifications. No amendment or modification to this Agreement shall be effective until it is reduced to writing and approved and executed by all parties to this Agreement in accordance with all applicable statutory procedures.

H. Authority to Execute. Each Local Government hereby warrants and represents to the other Local Governments that the Persons executing this Agreement on its behalf have been properly authorized to do so by their respective Corporate Authorities.

I. Counterparts. This Agreement may be executed in counterpart, each of which shall constitute an original document, which together shall constitute one and the same instrument.

[Signature Pages Follow]

IN WITNESS WHEREOF, each of the parties has caused this Agreement to be executed on its behalf by a duly authorized officer.

CITY OF GENESEO, HENRY, COUNTY,
ILLINOIS

By: _____
Mayor

[SEAL]

Attest:

City Clerk

GENESEO UNIT SCHOOL DISTRICT #228

By: _____
President of the Board of Education

[SEAL]

Attest: _____
Secretary of the Board of Education

GENESEO TOWNSHIP

By: _____
Township Supervisor

[SEAL]

Attest: _____
Township Secretary

GENESEO ROAD DISTRICT

By: _____
Township Supervisor

[SEAL]

Attest: _____
Township Secretary

GENESEO PARK DISTRICT

By: _____
President of the Board

[SEAL]

Attest: _____
Secretary of the Board

Geneseo Library District

By: _____
President of the Board

[SEAL]

Attest: _____
Secretary of the Board

Hammond Henry Hospital

By: _____
Chief Executive Officer

[SEAL]

Attest: _____
Secretary

Geneseo Fire Protection District

By: _____
President of the Board

[SEAL]

Attest: _____
Secretary of the Board

EXHIBIT A

Property Legal Description

WESTERN PARCEL

W717 LOT 3 NE NW & W717 OF N285, EX 1.15A SW COR & EX 1.18A SE COR, LOT 8 SE NW SEC 16 T17N R3E LANDS INCORP

MIDDLE PARCEL

E PT LT 3 NE NW & W1/2 LT 2 NW NE SEC 16 T17N R3E LANDS INCORP

EASTERN PARCEL

E1/2 LT 2 NW NE & LT 1, EX 2A, NE NE, EX HWY, SEC 16 T17N R3E LANDS INCORP

REIMBURSEMENT SCHEDULE FOR GENESEO UNIT SCHOOL DISTRICT #228

The School District's pro-rata share shall be ratified at an amount not to exceed, \$299,000. Should the City require financial support beyond this amount, there shall be a formal request made which would require the School Board to formally resolve to pay an additional increment. Further, should the costs be such that the City is able to construct the turn lane with savings, the School District shall be entitled to commensurate savings.

The School District will repay the City its pro-rata share as follows:

The School District pledges to the City the School District's share of property taxes paid by each parcel in the Subdivision for which a building permit is issued between January 1, 2018 and December 31, 2026, until paid. ~~The unpaid portion of the School District's share shall accrue simple interest at the rate of 2% per year.~~

The City will--within one month after property tax bills are issued by Henry County for those parcels in the Subdivision for which a building permit is issued between January 1, 2018 and December 31, 2026--prepare and issue a report to each of the other Local Governments that will summarize the amount of property taxes each Local Government owes that shall be remitted to the City. At the request of a Local Government, not more than five business days after receipt of the City report, the City will meet with that Local Government to explain the calculation of the property taxes due and owing pursuant to this Agreement. Failure of a Local Government to make a timely request for such a meeting with the City shall ratify the calculation. The Local Governments must remit their annual payment to the City no later than 60 days after the second installment of taxes are delivered by the County to the Local Government.

The City of Geneseo shall annually provide a report to the Board President and Superintendent of Geneseo CUSD 228, outlining the progress of the developer, the total amount the school district has paid, and the amount remaining to be paid. Said report shall be provided to the school district concurrent with the notification of the property taxes due to the City annually until such time as the entire turn lane obligation has been met.