

ORDINANCE #20-10

AN INTERGOVERNMENTAL AGREEMENT
BETWEEN
THE VILLAGE OF HODGKINS
AND
THE CITY OF COUNTRYSIDE

TO SHARE CERTAIN TAX REVENUES GENERATED FROM THE DEVELOPMENT
OF REAL PROPERTY LOCATED ON THEIR SHARED BOUNDARY

THIS AGREEMENT is made and entered into this 9th day of March, 2020 by and between the Village of Hodgkins, an Illinois Home Rule municipality, (hereinafter "Hodgkins") and the City of Countryside, an Illinois Home Rule municipality (hereinafter "Countryside")

WITNESSETH

WHEREAS, Article VII, Section 10, of the Constitution of the State of Illinois, provides that in furtherance of the exercise of their powers units of local government may 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 otherwise prohibited;

WHEREAS, the Illinois Intergovernmental Cooperation Act provides that a public agency may jointly exercise or combine any power, privilege, function or authority with the other public agencies 5 ILCS 220/1 et seq;

WHEREAS, Hodgkins and Countryside (the "Parties") are both units of local government as defined in Article VII of the Constitution of the State of Illinois and are both public agencies as defined in the Intergovernmental Cooperation Act, 5 ILCS 220/2;

WHEREAS, The Parties are both home rule units of government under subsection (a) of Section 6 of Article VII of the Constitution of the State of Illinois and may exercise any power and perform any function pertaining to their government and affairs for the protection of the public health, safety, morals and welfare;

WHEREAS, the real property located at 1000 West 75th Street, Hodgkins, Illinois and legally described in Exhibit A, attached hereto and made a part hereof, and hereinafter referred to as "Parcel A," is located within the corporate limits of the Village of Hodgkins, Illinois, and

WHEREAS, the real property located at 10525 West 74th Street, Countryside, Illinois and legally described in Exhibit B, attached hereto and made a part hereof, and hereinafter referred to as "Parcel B," is located within the corporate limits of the City of Countryside, Illinois; and

WHEREAS, the contract purchaser and the Developer of Parcel A and Parcel B (“Developer”) desires to develop both Parcel A and Parcel B as a hotel, restaurant, retail center, and a motor vehicle gasoline/diesel fuel service station (“Development Property”) generally depicted upon the site plan attached hereto as Exhibit C; and

WHEREAS, the Developer desires to enter into a Redevelopment Agreement (“RDA”) with the Parties in order to obtain certain tax incentives for the building costs incurred in the development; and

WHEREAS, it is the desire of the Parties to share all tax revenue generated by the Development Property (“Development Revenue”) on an even 50-50 split between themselves for so long as the Development Property is operated as a hotel, restaurant, retail center, and a motor vehicle gasoline/diesel fuel service station ; and

WHEREAS, it is the desire of the Parties that any incentive pursuant to the Redevelopment Agreement shall be evenly paid out of their respective equal shares of the Development Revenue for as long as the Development Property is used as a hotel, restaurant, retail center, and a motor vehicle gasoline/diesel fuel service station.

WHEREAS, the Board of Trustees and City Council of the Parties, have each determined that it is in the best interests of their respective municipalities to enter into this Intergovernmental Agreement (“IGA”);

WHEREAS, prior to the City consideration of this IGA the Village passed Ordinance No. 20-05 on February 26, 2020; and

WHEREAS, the City has made certain changes which the Village concurs; and

WHEREAS, the Village hereby repeals Ordinance No. 20-05 and replaces in lieu thereof this Ordinance No. 20-10;

NOW, THEREFORE, in consideration of the mutual covenants, conditions and agreements contained herein and which are made a part hereof, the Parties agree as follows:

Section 1

Incorporation of Recitals. The recitals as set forth above are incorporated herein by reference and made a part of the IGA.

Section 2

Jurisdiction of Parcel A. Hodgkins will retain jurisdiction over Parcel A.

Section 3

Jurisdiction of Parcel B. Countryside will retain jurisdiction over Parcel B.

Section 4

Water Services. Notwithstanding the jurisdiction of the two parcels, Hodgkins will provide potable water services to the Development Property.

Section 5

Police Service. Notwithstanding the jurisdiction of the two parcels, Hodgkins will provide police protection services to the Development Property.

Section 6

Fire/Paramedic Service. The Pleasantview Fire Protection Service will continue to provide service to the Development Property.

Section 7

Sanitary Sewer Service. The Developer will connect to a Metropolitan Water Reclamation District ("MWRD") Interceptor located on Parcel B.

Section 8

Zoning. Pursuant to the petition of the Developer, the Parties shall each conduct all necessary hearings in order to provide for a zoning classification that will legally permit the development of a hotel, gas station and restaurant upon the Development Property. Both Countryside and Hodgkins agree to employ reasonable and good faith efforts to cooperate with the Developer and to process and consider, in an expedited manner, all applications for development approval of a hotel, gas station, retail center and restaurant in accordance with the applicable ordinances for both Parties.

Section 9

Development. The Parties agree that the Development Property as approved by both Parties herein and attached hereto as Exhibit "C" will not be amended or changed without the approval of each Party so long as the Development Property is used as a hotel, restaurant, retail center, and a motor vehicle gasoline/diesel fuel service station. Such approval will not be unreasonably withheld.

Section 10

Revenue Sharing. Subject to the terms and conditions of this IGA, and the RDA entered into with the Developer, the Parties undertake to equally share Development Revenue (as defined herein) received from transactions occurring on the Development Property so long as either Party receives Development Revenue. For purposes hereof, Development Revenue means:

Retailers Occupation, Service Occupation and Use Taxes: (i) the total revenue from taxes, penalties and interest which are distributed to any of the Parties from the State of Illinois Local Government Tax Fund (35 ILCS 105/6z-18, *et seq.*) from those taxes imposed pursuant to the Service Occupation Tax Act (35 ILCS 5/115/1, *et seq.*) and the Retailers' Occupation Tax Act (35

ILCS 120/1, *et seq.*) on sales by retailers and servicemen on the Development Property; (ii) all revenues from any taxes, penalties and interest which are paid to any of the Parties from the Local Government Tax Fund or any other fund which are intended to replace the current payments to the any of the Parties from the Local Government Tax Fund on sales by retailers and servicemen on the Development Property, as enacted by law or ordinance of any of the Parties and of any governmental authority during the term of this IGA; and, (iii) the total revenue from taxes, penalties and interest which are paid to any of the Parties by reason of the any similar tax imposed on sales by retailers and servicemen on the Development Property pursuant to statutory authority or the home rule powers of any of the Parties.

Hotel Operators' Occupation and Use Taxes: the total revenue from taxes, penalties and interest which are paid to any of the Parties by reason of any tax imposed on the occupation or privilege of renting, leasing, letting, or using rooms in a hotel, as defined in the "Hotel Operators' Occupation Tax Act," on the Development Property pursuant to statutory authority or the home rule powers of any of the Parties.

Vehicle Fuel Taxes: the total revenue from taxes, penalties and interest which are paid to any of the Parties by reason of any tax imposed on vehicle fuel purchased, or used in the jurisdiction of any of the Parties, in sales at retail from transactions occurring on the Development Property pursuant to the home rule powers of any of the Parties. For purposes hereof, "vehicle fuel" means the same as "motor fuel" as defined in the Motor Fuel Tax Law (35 ILCS 505/1, *et seq.*) and includes all volatile and inflammable liquids produced, blended or compounded for the purpose of, or which are suitable, for operating motor vehicles, and includes "special fuel." Additionally, "used" in the jurisdiction of any of the Parties shall be deemed to occur only on the Development Property where the vehicle fuel is transferred into the vehicle by which it is to be consumed.

Food and Beverage Taxes: the total revenue from taxes, penalties and interest which are paid to any of the Parties by reason of any tax imposed upon the sale of food and beverages, including alcoholic liquor, prepared for immediate consumption and sold by a business on the Development Property that provides for on-premises consumption pursuant to statutory authority or the home rule powers of any of the Parties.

Property Taxes: the total revenue from taxes, penalties and interest which are paid to any of the Parties by reason of any property tax imposed upon on the Development Property pursuant to statutory authority or the home rule powers of any of the Parties.

Video Gaming Taxes: the total revenue from taxes, penalties and interest which are paid to any of the Parties by reason of any tax imposed upon net terminal income, as defined in the Video Gaming Act, 230 ILCS 40/1, *et seq.*, on the Development Property pursuant to statutory authority or the home rule powers of any of the Parties.

Future Taxes: the total revenue from taxes, penalties and interest which are paid to any of the Parties by reason of any tax imposed upon the Development Property or any activity conducted thereon pursuant to statutory authority or the home rule powers of any of the Parties after the effective date of this Agreement.

To the extent applicable, the Parties shall each enter into such documentation as required by IDOR to establish a Rebate Revenue Sharing Agreement (“RRSA”). Furthermore, the Parties agree that all tax returns completed by the Developer and submitted to each municipality will be exchanged each month.

Section 11

Choice of Municipal Tax for Development. For purposes of this IGA, following locally imposed taxes are adopted in their entirety and incorporated herein:

- a. Countryside Hotel and Motel Tax (“Exhibit D”)
- b. Countryside Vehicle Fuel Tax Ordinance (“Exhibit E”)
- c. Countryside Home Rule Tax on Covered Items (“Exhibit F”)
- d. Countryside Food and Beverage Tax (“Exhibit G”)
- e. Hodgkins Home Rule Retailers’ and Service Occupation Tax (“Exhibit H”)

As these taxes relate to Hodgkins and Countryside it shall apply only to the Development and shall not apply to other transactions occurring within that Village or City.

Section 12

Redevelopment Agreement. The Parties acknowledge that the Developer is desirous of executing a Redevelopment Agreement (“RDA”) that will itemize all obligations and benefits to be incurred in this Development. The RDA will be incorporated into this IGA and submitted to the City Council and Village Board for final approval.

Section 13

Reconciliation. The Parties agree six (6) months after commencement of operations by the Developer, their respective finance directors and/or comptrollers shall review for accuracy the RSSA as created by this IGA and report to the Parties and the Developer that the distribution of development revenue is in compliance with this IGA and the RDA. Thereafter, on the completion of the one (1) year anniversary the same fiscal accuracy report will be conducted and results provided to the Parties and the Developer.

Section 14

Severability. In the event that any part of this Agreement shall be determined by a court of competent jurisdiction to be invalid or unenforceable, such invalidity shall not invalidate the entire Agreement and to the extent possible the remaining provisions of this Agreement shall be given full force and effect.

Section 15

Interpretation. The headings herein contained are for convenience and reference only and are not intended to limit the scope of any section.

Section 16

Notices. All notices required to be given under the terms of this Agreement shall be in writing and either (a) served personally during regular business hours; (b) served by facsimile transmission during regular business hours; or (c) served by certified or registered mail, return receipt requested, properly addressed with postage prepaid.

Notices served upon the Village of Hodgkins shall be directed to

Village of Hodgkins
Attn: Village Administrator
8990 Lyons Street, Hodgkins, IL 60525.

Notices served upon the City of Countryside shall be directed to:

City of Countryside Administrator
803 Joliet Road
Countryside, Illinois.

Notices served personally or by facsimile transmission shall be effective upon receipt, and notices served by mail shall be effective upon receipt as verified by the United States Postal Service. Each party may designate a new location for service of notices by serving notice thereof in accordance with the requirements of this section.

Section 17

Entire Agreement. The provisions set forth herein constitute the entire agreement between the parties and supersede any prior representations, promises or agreements, whether oral or written, as it is the intention of the parties to provide for a complete integration within the terms of this Agreement.

Section 18

Modification. This Agreement may be modified only by further written agreement specifically referring to this section. Any such modification shall not be effective unless duly approved by the corporate authorities of both parties.

Section 19

Termination: This Agreement shall be in full force and effect for so long as there exists on either of the Properties one or more of the following: hotel, restaurant, retail center, and a motor vehicle gasoline/diesel fuel service station. Should one of the businesses on either of the Properties cease to operate, this Agreement will remain in effect unless terminated by the Agreement of the Parties. This Agreement may also be terminated at any time by agreement of the Parties.

Section 20

If any action, paragraph, clause or provision of this Ordinance shall be held invalid, the invalidity shall not affect any of the other provisions of this Ordinance.

Section 21

All Ordinances or parts thereof in conflict with the provisions that are hereby repealed insofar as the conflict herewith.

Section 22

This Ordinance shall be in full force and effect from and after its adoption and approval. The Village Clerk is directed to publish this Ordinance in pamphlet form after its adoption.

ADOPTED this 9th day of March, 2020 by roll call vote as follows:

AYES:

NAYS:

ABSENT:

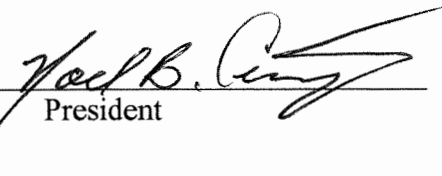
ABSTAIN:

APPROVED by me the same day and date as written above.

IN WITNESS WHEREOF, the parties have entered into this Intergovernmental Agreement as of the date first set forth above.

VILLAGE OF HODGKINS
an Illinois Home Rule municipality

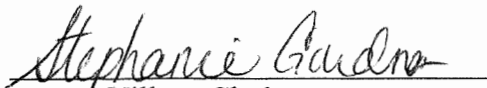
CITY OF COUNTRYSIDE
an Illinois Home Rule municipality

By: 
President

By: _____
Mayor

Attest:

Attest:


Village Clerk
4830-2291-4480, v. 7

City Clerk

STATE OF ILLINOIS }
 }
COUNTY OF COOK }

CLERK’S CERTIFICATE


I, STEPHANIE GARDNER, the duly appointed, qualified and acting Village Clerk of the Village of Hodgkins, Cook County, Illinois, DO HEREBY CERTIFY that attached hereto is a true and correct copy of Ordinance 20-10 is now on file in my office entitled:

AN INTERGOVERNMENTAL AGREEMENT BETWEEN THE VILLAGE OF HODGKINS AND THE CITY OF COUNTRYSIDE TO SHARE CERTAIN TAX REVENUES GENERATED FROM THE DEVELOPMENT OF REAL PROPERTY LOCATED ON THEIR SHARED BOUNDARY

Which Ordinance was passed by the Board of Trustees of the Village of Hodgkins at a meeting held on the 9th day of March 2020 at which a quorum was present and there were no objections to the proposed Ordinance. Approved by the President in the Village of Hodgkins on the 9th day March 2020.

I FURTHER CERTIFY that a fully executed original copy of said Ordinance was duly filed in the office of the Clerk the 9th day of March 2020 and that attached hereto is a copy of said Ordinance. That the original Ordinance is entrusted to my care for safekeeping and that I am the lawful keeper of same.

IN WITNESS WHEREOF, I have hereunto set my hand and affixed the seal of the Village of Hodgkins, this 9th day of March 2020.



Stephanie Gardner, Village Clerk

*** S E A L ***