

ORDINANCE NUMBER 24 - 24

AN ORDINANCE OF THE VILLAGE OF EAST DUNDEE,
COOK AND KANE COUNTIES, ILLINOIS, APPROVING THE ISSUANCE OF A TIF
NOTE TO PAL LAND, LLC
(ROUTE 25 TIF DISTRICT – TIF NOTE NO. 11 - \$127,881.95)

WHEREAS, the Village of East Dundee (“Village”) is a home rule unit of local government pursuant to Section 6 of Article VII of the Constitution of the State of Illinois, and has the authority to exercise any power and perform any function pertaining to its government and affairs; and

WHEREAS, in accordance with the requirements of the Illinois Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.* (“TIF Act”), the Village President and Board of Trustees, pursuant to Ordinance Nos. 10-25, 10-26 and 10-27, adopted on May 16, 2010, designated the “Route 25 Redevelopment Project Area” as a redevelopment project area, as defined in the TIF Act, approved a Redevelopment Plan and Project for the Route 25 Redevelopment Project Area and adopted tax increment allocation financing in the Route 25 Redevelopment Project Area, pursuant to the TIF Act, respectively; and

WHEREAS, on November 14, 2012, the Village entered into an “Amended and Restated Redevelopment Agreement” (“Redevelopment Agreement”) with Pal Land, LLC (“Developer”) regarding property owned by the Developer located within the Route 25 Redevelopment Project Area; and

WHEREAS, on May 2, 2022, the village entered into the “First Amendment to the Amended and Restated Redevelopment Agreement” (“Redevelopment Agreement”) with Developer regarding property owned by the Developer located within the Route 25 Redevelopment Project Area; and

WHEREAS, the 2012 agreement establishes a \$10 million dollar cap on the reimbursement of TIF-eligible expenses by the Developer; and

WHEREAS, the Village has determined to issue a TIF Note in the principal amount of One Hundred Twenty-Seven Thousand, Eight Hundred Eight-One Dollars and Ninety-Five Cents (\$127,881.95) (“TIF Note”) and to loan the proceeds thereof to the Developer to finance the eligible expenses allocated to or incurred with respect to the property subject to the Redevelopment Agreement, on the terms and conditions as set forth in the Redevelopment Agreement; and

WHEREAS, the 2022 Agreement establishes that any Notes approved after May 2, 2022, shall accrue no interest; and

WHEREAS, the President and Board of Trustees have determined that it is in the best interests of the Village to approve the issuance of the TIF Note to Developer;

NOW THEREFORE BE IT ORDAINED BY THE VILLAGE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF EAST DUNDEE, COOK AND KANE COUNTIES, ILLINOIS, AS FOLLOWS:

SECTION 1: Incorporation. That the recitals above shall be and are hereby incorporated in this Section 1 as if restated herein.

SECTION 2: Authorization. That it is advisable, necessary, and in the best interests of the Village that the Village issue the TIF Note to the Developer.

SECTION 3: Form of TIF Note. That the TIF Note shall be in substantially the form attached hereto as **Exhibit A**, with such changes thereto by the Village Administrator and Village Attorney as to make the TIF Note consistent with this Ordinance.

SECTION 4: Authorization to Issue TIF Note. That the Village hereby authorizes the issuance of its TIF Note in the principal amount of One Hundred Twenty-Seven Thousand, Eight Hundred Eight-One Dollars and Ninety-Five cents (\$127,881.95) bearing no interest, and substantially in the form attached hereto as **Exhibit A**. The Village is hereby authorized to execute and deliver to the Developer its TIF Note, which shall be dated from the date of November 1st, 2023.

SECTION 5: Severability. That if any Section, paragraph or provision of this Ordinance shall be held to be invalid or unenforceable for any reason, the invalidity or unenforceability of such Section, paragraph or provision shall not affect any of the remaining provisions of this Ordinance.

SECTION 6: Repeal. That all ordinances, resolutions, motions or parts thereof in conflict with this Ordinance shall be and the same are hereby repealed.

SECTION 7: Effect. That this Ordinance shall be in full force and effect upon its adoption, approval and publication in pamphlet form as provided by law.


ADOPTED this 24th day of June, 2024 pursuant to a roll call vote as follows:

AYES: Mahony, Kunze, Brittin, Saviano, Treiber and Sauder

NAYES: Ø

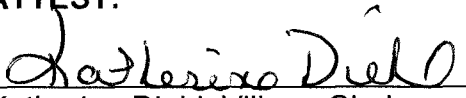
ABSENT: Ø

APPROVED by me this 24th day of June, 2024.



Jeffrey Lynam, Village President

ATTEST:


Katherine Diehl, Village Clerk

Published in pamphlet form this 24th day of June, 2024, under the authority of the Village President and Board of Trustees.

Recorded in the Village records on June 27, 2024.

EXHIBIT A

(TIF NOTE)

NOTE

VILLAGE OF EAST DUNDEE, KANE COUNTY, ILLINOIS

SPECIAL TAX INCREMENT REVENUE NOTE

(Note No. 11)

Route 25 Redevelopment Project Area

\$127,881.95

to be dated as of November 01, 2023

WHEREAS, pursuant to its powers and in accordance with the requirements of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1, *et seq.* (the “*TIF Act*”), the President and Board of Trustees of the Village of East Dundee, Illinois (the “*Corporate Authorities*”) pursuant to Ordinance Nos. 06-40, 06-41 and 06-42, adopted on September 18, 2006, designated a Redevelopment Project Area and approved a Redevelopment Plan for the redevelopment of the Redevelopment Project Area known as the Route 25 Redevelopment Project Area; and,

WHEREAS, on November 14, 2012, the Village and Pal Land, LLC (the “*Developer*”) entered into a certain Amended and Restated Development Agreement (the “*Amended Agreement*”), the terms and provisions of which are incorporated herein by reference. Capitalized terms used but not otherwise defined herein shall have the meanings as set forth in the Amended Agreement; and,

WHEREAS, pursuant to the Amended Agreement, the Village has agreed to reimburse the Developer for Redevelopment Project Costs incurred by the Developer in connection with or as a result of the development of certain portions of the Route 25 Redevelopment Project Area.

NOW, THEREFORE, the Village, by and through the Corporate Authorities, covenants and agrees as follows:

1. *Incorporation of recitals and definitions of terms.* The foregoing recitals are incorporated into this Note as if they were fully set forth in this *Section 1*.

2. *Promise to pay.* Subject to the terms, conditions and limitations contained in the Amended Agreement, and until the Termination Date of the Amended Agreement, the Village promises to pay to the order of the Developer, when and as provided in the Amended Agreement, the principal sum of \$127,881.95 together with interest on the balance of such principal sum outstanding from time to time at the rate of six percent (6%) per annum.

3. *Pledge of, and lien on, Incremental Taxes deposited in the Pal Land Sub-Account.*
THIS NOTE SHALL BE PAYABLE FROM AND SECURED BY A PLEDGE OF, AND LIEN

ON , INCREMENTAL TAXES DEPOSITED FROM TIME TO TIME IN THE PAL LAND SUB-ACCOUNT OF THE ROUTE 25 STAF. SUCH PAYMENT, PLEDGE AND LIEN SHALL BE SUBJECT AND SUBORDINATE ONLY TO THE PRIOR PAYMENTS, PLEDGES AND LIENS PROVIDED FOR IN THE AMENDED AGREEMENT.

4. *Payments.* So long as the Amended Agreement is in full force and effect, payments on account of the indebtedness evidenced by this Note shall be made as set forth in the Amended Agreement.

Payments on this Note made from monies deposited in the Sub-Account Route 25 STAF shall be applied to reduce the outstanding principal balance first, and thereafter the interest obligations hereunder. Payments made under this Note shall be in the amount of the monies in the Pal Land Sub-Account of the Rt. 25 STAF to the extent that said monies are available, as provided for in the Amended Agreement, to reimburse the Developer for the sums due hereunder.

To the extent the Village executes and delivers other Notes (in addition to this Note) pursuant to the terms of the Amended Agreement, payments of principal shall first be made as to all such notes (beginning with the earliest-dated note) and thereafter payments of interest obligations coming due on all notes, this note included, shall be made (again beginning with the earliest dated note), and such obligations shall continue to be of force and effect, with respect to the Note and each of such earlier dated Notes, until all principal and interest obligations coming due on such Notes have been satisfied in full by the Village.

5. *Place of payment.* Payments made under this Note by the Village shall be made by check payable to the order of the Developer and mailed to the Developer at such address as the Developer may designate in writing from time to time.

6. *Limited obligation of the Village.* THIS NOTE IS NOT SECURED BY THE FULL FAITH AND CREDIT OF THE VILLAGE AND IS NOT PAYABLE OUT OF THE VILLAGE'S GENERAL REVENUE FUND. THIS NOTE CONSTITUTES A LIMITED OBLIGATION OF THE VILLAGE, AND ALL PAYMENTS DUE UNDER THIS NOTE SHALL BE PAYABLE SOLELY FROM INCREMENTAL TAXES THAT ARE AVAILABLE FOR SUCH PURPOSE UNDER THE PROVISIONS OF THE AMENDED AGREEMENT. FAILURE OF THE VILLAGE TO REIMBURSE DEVELOPER FOR REDEVELOPMENT PROJECT COSTS DUE TO INSUFFICIENT FUNDS GENERATED WITHIN THE PAL LAND SUB-ACCOUNT OF THE ROUTE 25 STAF SHALL NOT BE DEEMED A DEFAULT ON THE PART OF THE VILLAGE.

7. *Default.* If Incremental Taxes are available to make any payment required by this Note, and the Amended Agreement is in full force and effect, and if the Village thereafter fails to make such payment, the Village shall be deemed to be in default under this Note. After any default, the Developer may bring an action in any court of competent jurisdiction to enforce payment of this Note, provided that the Developer shall have first given the Village notice of its intent to bring such action and thirty (30) days to cure any such default. Failure of the Developer to exercise its right to bring an action to remedy a default hereunder shall not constitute a waiver of its right to bring an action to remedy any subsequent default.

8. *Miscellaneous.*

(a) In any provision of this Note is found by a court of competent jurisdiction to be in violation of any applicable law, and if such court should declare such provision to be unlawful, void or unenforceable as written, then it is the intent of the Village and the Developer that such provisions shall be given full force and effect to the fullest possible extent that is legal, valid and enforceable, that the remainder of this Note shall be construed as if such unlawful, void or unenforceable provision was not contained herein, and that the rights, obligations and interests of the Village and the Developer shall continue in full force and effect.

(b) Upon endorsement, assignment or other transfer of this Note by the Developer or by operation of law, the term "the Developer" as used herein shall mean such endorsee, assignee, or other transferee or successor of the Developer then becoming holder of this Note. This Note shall inure to the benefit of the Developer, its successors and assigns and successor holders of this Note, and shall be binding upon the Village and its successors and assigns. Notwithstanding the foregoing, this Note shall be fully assignable by the Developer to any lender who financed the development of the Subdivision. With the exception of any such lenders, this Note may only be assigned by the Developer to others with the prior written consent of the Village.

(c) Any notice, request, demand, instruction or other document to be given or served hereunder shall be addressed, delivered and deemed effective as provided in the Development Agreement.

(d) The provisions of this Note shall not be deemed to amend the provisions of the Amended Agreement in any respect. To the extent of any conflict or inconsistency between the provisions of the Amended Agreement and the provisions of this Note, the Amended Agreement shall in all instances supersede and control.

This Note is executed as of the date first written above.

Village of East Dundee, an Illinois municipal
corporation

By:

President

Attest:

Katherine Diedo
Village Clerk