

AGENDA
SPECIAL MEETING OF THE
VILLAGE BOARD
APRIL 11, 2017
2200 Harnish Drive
Village Board Room
- AGENDA -
7:45 P.M.

1. Roll Call – Establish Quorum
2. Pass and Approve a Resolution to the Purchase of Certain Property: 101 S. Main Street, Algonquin, Illinois (PIN's: 19-34-107-001 and 19-34-107-011) combined total expenditure of \$250,000.00
3. Pass and Approve an Ordinance Amending Special Service Area #1 Tax Abatement
4. Adjournment



2017 – R -
VILLAGE OF ALGONQUIN
RESOLUTION

BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ALGONQUIN, KANE AND MCHENRY COUNTIES ILLINOIS: that the Village President's is authorized to execute a Sale Agreement with Diana Wood for the Purchase of Certain Property known as 101 S. Main Street, Algonquin, Illinois (PIN's: 19-34-107-001 and 19-34-107-011) combined total expenditure of \$250,000.00, attached hereto and hereby made part hereof.

DATED this ____ day of _____, 2017

APPROVED:

(seal)

John C. Schmitt, Village President

ATTEST:

Gerald S. Kautz, Village Clerk

REAL ESTATE SALE AGREEMENT

THIS SALE AGREEMENT (the "Agreement") is made as of the ____ day of _____, 2017, by and among Park National Bank, as Trustee of Land Trust CS 98-164 dated December 10, 1999 (the "Owner"), Diana Wood ("Wood") (the Owner and Wood together being the "Seller"), and the Village of Algonquin, an Illinois municipal corporation (the "Buyer").

RECITALS

The Buyer desires to purchase and the Seller desires to sell certain real property owned by the Seller all located at 101 S. Main Street, Algonquin, Illinois 60102.

In consideration of this Agreement, Seller and Buyer agree as follows:

1. Sale of Property: The Seller agrees to sell to the Buyer, and the Buyer agrees to buy from the Seller, the following real property located in McHenry County, Illinois, at 101 S. Main Street, Algonquin, Illinois ("Real Property"), and legally described as follows:

A. That part of Lot 1 in Block 9 in Plumleigh's Addition to Algonquin, described as follows: Beginning at a point in the Southeasterly line of Main Street, being also the Northwesterly line of said Lot 1, that is 170.34 feet Northeasterly (measured along said Northwesterly line) from the Southwesterly corner of said Lot 1 and running thence Southeasterly, 133.2 feet to a point in the Southeasterly line of said Lot 1, that is 170.0 feet Northeasterly (measured along said Southeasterly line) from the Southeasterly corner of said Lot 1; thence Northeasterly along said Southeasterly line, 46.0 feet to the Southwesterly shore line of a Creek known as Crystal Lake Outlet; thence Northwesterly along said shore line, to the Southeasterly line of Main Street; thence Southwesterly along said Southeasterly line, 61.86 feet to the place of beginning. Said Addition being a Subdivision of part of the Northwest Quarter of Section 34, Township 43 North, Range 8 East of the Third Principal Meridian, according to the Plat thereof recorded March 24, 1860, in Book 28 of Deeds, page 400, in McHenry County, Illinois; and

B. Lot 11 (except the South 72 feet of said Lot) in Block 9 in Plumleigh's Addition to Algonquin, being a Subdivision of part of the Northwest Quarter of Section 34, Township 43 North, Range 8 East of the Third Principal Meridian, West of Fox River, and part of the Northeast Quarter of Section 33, Township 43 North, Range 8 East of the Third Principal Meridian, East of Chicago and Northwestern Railroad, according to the Plat thereof recorded March 24, 1860, in Book 28 of Deeds, page 400, in McHenry County, Illinois.

PIN's: 19-34-107-001 and 19-34-107-011

2. Purchase Price and Manner of Payment: The total purchase price ("Purchase Price") to be paid for the Real Property is Two Hundred Forty Thousand and No/100 Dollars (\$240,000.00), payable by wired funds on the Closing Date.
3. Conditions to Closing: The obligations of the Buyer ("Buyer's Conditions") under this Agreement are contingent upon each of the following:
 - 3.1. Representations and Warranties: The representations and warranties of Wood contained in this Agreement must be true now and on the Closing Date as if made on the Closing Date.

- 3.2. Title: Title shall have been found acceptable, or been made acceptable, within the “Inspection Period,” as hereinafter defined, in accordance with the requirements and terms of Section 6 below.
- 3.3. Property Condition: The condition of the Real Property shall have been found acceptable, within the “Inspection Period” as hereinafter defined, in the Buyer’s reasonable discretion.
- 3.4. Buyer’s Termination: At any time during the Inspection Period defined in Section 7.1, the Buyer has the unilateral right to terminate the Agreement with no liability to the Seller.
4. Closing: Subject to compliance by the parties hereto with their respective obligations to be performed at or prior to the Closing and satisfaction of the respective conditions precedent to the obligations of the Buyer and the Seller to consummate the transaction contemplated hereby, consummation of the sale of the Real Property by the Seller to the Buyer under this Agreement (the “Closing”) shall occur on Wednesday, March 29, 2017, or such earlier date as agreed by the parties (“Closing Date” or “Date of Closing”). The Closing shall take place at the Title Company designated by the Buyer. The Seller agrees to deliver possession of the Real Property to the Buyer on the Closing Date subject to Wood’s rights set forth in paragraph 10.
- 4.1. Seller’s Closing Documents: On the Closing Date, the Seller shall execute and deliver to the Buyer the following (collectively, “Seller’s Closing Documents”), all in form and content reasonably satisfactory to the Buyer:
- 4.1.1. Deed: A Trustee’s Deed conveying the Real Property to the Buyer free and clear of all encumbrances, except the Permitted Encumbrances hereafter defined.
- 4.1.2. FIRPTA Affidavit: A non-foreign affidavit, properly executed, containing such information as is required by Internal Revenue Code Section 1445(b)(2) and its regulations.
- 4.1.3. Affidavit of Title: A Seller’s Affidavit of Title in customary form.
- 4.1.4. Other Documents: All other documents contemplated by this Agreement or reasonably determined by the Buyer or Title Company to be necessary to transfer the Real Property to the Buyer free and clear of all encumbrances except Permitted Encumbrances.
- 4.1.5. ALTA: An ALTA statement or Owner’s Affidavit in the form required by the Title Company in order to issue the Title Policy.
- 4.1.6. Transfer Tax: Completed declarations or statements, executed by or on behalf of the Seller, in the form prescribed by governmental authorities to be filed in connection with any transfer tax imposed by governmental authority on transfer of title.
- 4.2. Buyer’s Closing Documents: On the Closing Date, the Buyer will execute and deliver to the Seller the following (collectively, “Buyer’s Closing Documents”):
- 4.2.1. Purchase Price: Funds representing the Purchase Price due and payable on Closing in wired funds to the Title Company subject to the terms and conditions as provided herein.
- 4.2.2. IRS Form: A document designating the “reporting person” for purposes of completing Internal Revenue Form 1099.
5. Costs: The Seller and the Buyer agree to the following responsibilities and allocation of costs regarding this Agreement.

- 5.1. Title Insurance and Closing Fee: Subject to the terms and conditions herein, the Seller will pay 1) all costs of the Title Evidence, 2) the fees charged by the Title Company for any escrow 3) all title commitment fees and all title insurance premiums, including extended coverage, insuring the Buyer as owner, in the amount of the Purchase Price, 4) all closing costs and escrow fees and associated tax for this transaction charged or passed on by the title company, subject to the terms and conditions herein at Closing.
- 5.2. Transfer Taxes: The Seller shall pay all transfer taxes, if any, payable in connection with this transaction.
- 5.3. Prorations and Adjustments: All water and sewer rent rates and utility fees through the Closing Date, and any time period thereafter when Wood utilizes the Real Property in accordance with Paragraph 10 herein, shall be paid by the Seller.
- 5.4. Payment of 2015 and 2016 Property Taxes by Buyer if Closing Occurs. Subject to the terms and conditions herein, in addition to the Purchase Price, if Closing occurs, the Seller shall pay and/or be responsible for paying the following property taxes on the Real Property:

<u>PIN</u>	<u>Year</u>	<u>Taxed Amount</u>
19-34-107-001	2015	\$7,242.62
	2016	Agreed (Estimated) Amount of \$7,604.75
19-34-107-011	2015	\$699.52
	2016	Agreed (Estimated) Amount of \$734.50

- 5.5. Other Costs: Seller shall pay the fee of the land trust to prepare and sign the deed, closing costs such as escrow charges, the costs and amounts set forth in Paragraphs 5.1, 5.4 (combining the 2015 and estimated 2016 taxes in the amounts agreed upon) therein plus penalties and/or interest on all overdue taxes as of the Closing Date), 5.5 and 6.2.2, along with a prorated amount for the 2017 property taxes for the period from January 1st to March 29th (or such earlier Closing Date as may be mutually agreed upon), multiplied by 105% of the most recent tax bills for the Real Property, along with the cost of a title insurance policy with a coverage amount of \$240,000 and all fees associated with same.
6. Title and Survey:
 - 6.1. Seller's Title Evidence: The Buyer has obtained a commitment for title insurance issued by the Title Company ("Title Evidence").
 - 6.2. Buyer's Objections: Within five (5) days after both parties have signed this Agreement, the Buyer may make written objections ("Objections") to the form and/or contents of the Title Evidence. Any matter shown on such Title Evidence and not objected to by the Buyer shall be a "Permitted Encumbrance" hereunder. The Seller will have fifteen (15) days after receipt of the Objections to cure the Objections, during which period the Closing will be postponed, if necessary. The Seller shall use its best efforts to correct any Objections. To the extent an Objection can be satisfied by the payment of money, the Buyer shall have the right to apply a portion of the cash payable to the Seller at the Closing to the satisfaction of such Objection, and the amount so applied shall reduce the amount payable to the Seller at the Closing. If the Objections are not cured within such 15-day period, the Buyer will have the option to do any of the following:
 - 6.2.1. Terminate this Agreement without any liability to the Seller.

6.2.2. Withhold from the amount to be paid to Seller at Closing which, in the reasonable judgment of Title Company, is sufficient to assure cure of the Objections, including interest and penalties. Any amount so withheld will be placed in escrow with Title Company, pending such cure. If the Seller does not cure such Objections within thirty (30) days after such escrow is established, the Buyer may then cure such Objections and charge the costs against the escrowed amount. The parties agree to execute and deliver such documents as may be reasonably required by Title Company, and the Seller agrees to pay the charges of Title Company to create and administer the escrow.

6.2.3. Waive the objections and proceed to close.

6.3. Survey: The Buyer has obtained an ALTA/ACSM Survey of the Real Property ("Survey") prepared by a surveyor and/or engineer licensed to prepare same in the State of Illinois. The Survey may be certified to the Buyer and the title insurer to be in compliance with ALTA minimum standards for land title surveys, including, but not limited to ALTA 2016 Table A items 1, 2, 3, 4, 6(a), 7(a), 8, 9, 11, 16, 17 and 19. The Buyer shall be responsible for paying for such survey.

7. Inspection: The inspection of the Real Property will be conducted as follows:

7.1. Inspection Period: The Buyer's obligations under this Agreement are subject to the Buyer's review and approval of the Real Property and its suitability for the Buyer's intended use. Accordingly, the Buyer shall have through 12:00 p.m., March 24, 2017 (the "Inspection Period") within which to determine the feasibility of the Real Property for the Buyer's intended use. During the Inspection Period, the Buyer shall have the right to conduct and make such feasibility studies as Buyer deems necessary, and conduct any and all physical inspections of the Real Property. The Seller shall cooperate with the Buyer in allowing the Buyer to make such inspections and allow the Buyer full access during reasonable business hours to the Real Property for the purpose of such inspections. The Buyer shall notify Wood no less than one (1) business day in advance of making any such inspections. During the Inspection Period, the Buyer may at any time, in its sole and absolute discretion, determine that the Real Property is not feasible for the Buyer's intended use. In such event, the Buyer may notify the Seller in writing that it does not intend to proceed with this Agreement by simply stating in writing that it is terminating and voiding the Agreement ("Notice to Terminate"). Upon giving Notice to Terminate as a result of the Real Property not being deemed feasible by the Buyer for its intended use on or before the end of the Inspection Period, this Agreement will terminate and become null and void and be of no further force and effect and the Buyer shall have no liability to the Seller.

7.2. Costs: Except as otherwise provided herein, the Buyer shall pay all costs and expenses of all investigation and testing of the Real Property, shall restore the Real Property to its previous condition, and shall hold the Seller and the Real Property harmless from all costs and liabilities relating to the Buyer's activities.

7.3. Report: The Seller shall, within five (5) days after the date of this Agreement, deliver to the Buyer all surveys; environmental reports; title reports; information regarding property tax liability; copies of any covenants, conditions and restrictions and other association documents; and any other studies or reports that exist which affect the Real Property ("Seller Reports") and are available to the Seller.

- 7.4. Turn over of reports of third parties. The parties agree that if Closing does not occur, and in the absence of a breach of this Agreement by Seller, the Buyer shall turn over to Seller all reports received by the Buyer relative to the Real Property from third parties.
- 7.5. Buyer's Rights: If the Buyer determines there is a condition on the Real Property which the Buyer has determined will interfere with the Buyer's intended use of the Real Property, the Buyer shall provide notice to the Seller within the time period stated in Section 7.1 of such objection, and the Buyer may either terminate this Agreement, with no liability to the Seller, receive an agreed upon Purchase Price reduction or waive the condition and proceed to closing.
8. Wood represents and warrants to the Buyer as follows:
- 8.1. The sole owner of record of the Real Property is Park National Bank, as Trustee of Land Trust CS 98-164 dated December 10, 1999, that she is the sole beneficiary of the Owner and that she has the sole power of direction relative to the Owner, and on or prior to the Closing Date, she will direct such trust and trustee to cause a deed from the owner of record to convey the Trustee's Deed to the Buyer in accordance with the terms and conditions of this Agreement.
- 8.2. The Seller is not a party to any written agreement with any person, firm, corporation, or other entity that has any right or option to acquire the Real Property or any portion thereof and that, except for the 2015 and 2016 property taxes, no other property taxes are due and owing relative to the Real Property or have been sold.
- 8.3. There are and have been no judicial proceedings of any type which have been instituted or which are pending or threatened against the Real Property.
- 8.4. There is not pending, nor has the Seller received a written threat from a public authority, other than the Buyer, of a (i) contemplated condemnation of the Real Property or any part thereof, (ii) widening, change of grade or limitation on use of streets, roads, or highways abutting the Real Property, (iii) special tax or assessment to be levied against the Real Property, or (iv) change in the tax assessment of the Real Property.
- 8.5. There are and shall be no liens or claims against the Seller applicable to the Real Property for federal withholding taxes or estate taxes, or any other taxes or charges whatsoever except ad valorem general real estate taxes.
- 8.6. The Seller has received no notice of any fact or condition that exists which would result in the termination of access to the Real Property from adjoining public or private streets or ways or which would result in discontinuation or refusal of service by any applicable utility providers of adequate sewer, water, gas, electric, telephone or other utility service to the Real Property.
- 8.7. The Seller's execution of and performance under this Agreement shall not constitute a breach of any agreement, understanding, order, judgment or decree, written or oral, to which the Seller is a party and to which any part of the Real Property may be bound.
- 8.8. There are and will be no recorded or unrecorded mechanics' or materialmen's liens or claims for such liens affecting the Real Property, and as of the Closing Date, except for work performed by the Buyer or the Buyer's agents pursuant to Section 7, there will be no work performed or material furnished for which payment will not have previously been made, (and the Seller shall furnish an affidavit to that effect on the Closing Date); provided, however, that if any such lien or claim for liens does exist and was not caused by work performed by the Buyer or the Buyer's agents, the Seller shall either cause

the release and discharge thereof at or prior to Closing or lodge with the title insurer under a “title indemnity agreement” such portion of the balance of the purchase price due the Seller as the title insurer may require in order to insure over any such lien (which by so doing prevent Seller from being deemed to have breached this warranty).

- 8.9. Pending the Closing, the Seller agrees that the Seller will not transfer the Real Property except as herein expressly contemplated or create any easements, liens, mortgages, or other encumbrances with respect to the Real Property, except with the Buyer’s prior written consent.
- 8.10. The Seller has not received any notice that the environmental and ecological condition of the Real Property is in violation of any Environmental Law (as hereinafter defined), or that the soil, surface water and ground water of or on the Real Property contains any Hazardous Material (as hereinafter defined), solid waste, toxic or hazardous substances or contaminants or that the Real Property has been used for treatment, storage or disposal of any waste material or Hazardous Material, or that the Real Property contains any asbestos or asbestos related material and the Seller has not received any notice of any Environmental Action (as hereinafter defined) regarding or relating to the Real Property. To the best of the Seller’s actual knowledge, without investigation, the environmental and ecological condition of the Real Property is not in violation of any Environmental Law; the soil, surface water and ground water of or on the Real Property does not contain Hazardous Material; the Real Property has not been used for treatment, storage or disposal of any waste material or Hazardous Material; and the Real Property does not contain any asbestos or asbestos related material.
- 8.11. That the Seller has authority to enter into and consummate this transaction.
- 8.12. There are no leases, tenancies, or other rights of occupancy, possession or use for the Real Property that will remain as of the Closing except for the Wood’s rights pursuant to paragraph 10 herein. Exclusive physical possession of the Real Property shall be delivered by the Seller to the Buyer at Closing. Seller represents that no other person is situated in or living upon the Real Property as of the Closing.
- 8.13. To the best of Wood’s knowledge, without investigation, the Real Property and the Seller are (i) in compliance with all applicable statutes, ordinances and regulations applicable to or affecting the Real Property, and (ii) not currently subject to any existing, pending or threatened investigation or inquiry by any governmental authority arising from, related to, such statutes, ordinances or regulations, including but not limited to the enforcement of any remedial obligations imposed by the Americans with Disabilities Act (the “ADA”).
- 8.14. Environmental Definitions.
- 8.14.1. “Environmental Laws” means:
- 8.14.1.1. any present or future federal statute, law, code, rule, regulation, ordinance, order, standard, permit, license, guidance document or requirement (including consent decrees, judicial decisions and administrative orders) together with all related amendments, implementing regulations and reauthorizations, pertaining to the protection, preservation, conservation or regulation of the environment, including, but not limited to: the Comprehensive Environmental Response, Compensation, and Liability Act, 42 U.S.C. Section 9601 et seq. (“CERCLA”); the Resource Conservation and Recovery Act, 42 U.S.C. Section 6901 et seq. (“RCRA”); the Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq. (“TOSCA”); the Clean Air Act, 42 U.S.C. Section 7401 et seq.; and the Clean Water Act, 33 U.S.C. Section 1251 et seq.;

- 8.14.1.2. any present or future state or local statute, law, code, rule, regulation, ordinance, order, standard, permit, license or requirement (including consent decrees, judicial decisions and administrative orders) together with all related amendments, implementing regulations and reauthorizations, pertaining to the protection, preservation, conservation or regulation of the environment.
- 8.14.2. "Hazardous Material" means:
 - 8.14.2.1. "hazardous substances" as defined by CERCLA;
 - 8.14.2.2. "hazardous wastes" as defined by RCRA;
 - 8.14.2.3. "hazardous substances" as defined by the Clean Water Act;
 - 8.14.2.4. any item which is banned or otherwise regulated pursuant to TOSCA;
 - 8.14.2.5. any item which is regulated by the Federal Insecticide, Fungicide and Rodenticide Act, 7 U.S.C. 136 et seq.;
 - 8.14.2.6. any item which triggers any thresholds regulated by or invoking any provision of the Emergency Planning and Community Right-To-Know Act, 42 U.S.C. 11001 et seq.;
 - 8.14.2.7. any hazardous, dangerous or toxic chemical, material, waste, pollutant, contaminant or substance ("pollutant") within the meaning of any Environmental Law prohibiting, limiting or otherwise regulating the use, exposure, release, emission, discharge, generation, manufacture, sale, transport, handling, storage, treatment, reuse, presence, disposal or recycling of such pollutant;
 - 8.14.2.8. any petroleum, crude oil or fraction thereof;
 - 8.14.2.9. any radioactive material, including any source, special nuclear or by-product material as defined at 42 U.S.C. Section 2011 et seq., and amendments thereto and reauthorizations thereof;
 - 8.14.2.10. asbestos-containing materials in any form or condition; and
 - 8.14.2.11. polychlorinated biphenyls ("PCBs") in any form or condition.
9. Broker's Commission: The Seller and the Buyer each represent that it has dealt with no brokers, finders or the like in connection with this transaction. The Seller and the Buyer agree to indemnify and hold each other harmless from all claims, damages, costs or expenses of or for any other such fees or commissions resulting from their actions or agreements regarding the execution or performance of this Agreement, and will pay all costs of defending any action or lawsuit brought to recover any such fees or commissions incurred by the other party, including reasonable attorneys' fees.
10. Option to Store and Sell Existing Personal Property Items on Real Property until August 31, 2017. Notwithstanding any other provision herein, the parties agree that Wood may store and sell her existing personal property items (i.e., antiques) on the Real Property until August 31, 2017 provided that 1) Wood, at her sole cost, is responsible for insuring the Real Property from casualty and liability and shall cause the

insurer to name the Buyer as an additional insured in a written certificate from the insurer to be provided to the Buyer in coverages and amounts reasonably acceptable to the Buyer during such time that she stores and/or sell personal property on the Real Property after the Closing but no later than August 31, 2017; 2) pays for all utilities associated with the Real Property through such time that she utilizes the Real Property to store or sell her items; and 3) on or before August 31, 2017, when Wood elects not (or is no longer permitted) to utilize the Real Property for storing or selling the existing personal property items, Wood provides the Buyer with all keys to the Real Property and a certificate as follows:

To: The Village of Algonquin

I, Diana Wood, represent and warrant that I have removed all personal property items from the property commonly known as 101 S. Main Street as of the date set forth below, that no one resides or is in possession of such property or is storing any items of any kind at such property and that I have or will have paid all utilities associated with such property and have contacted all utilities to terminate all accounts associated with the property.

x
Diana Wood

Date: _____, 2017

Notary Public

Within 10 business days from such time that Wood turns in such originally executed certificate and the keys, and fills in the date, the Buyer shall inspect the Real Property and provided that there is no breach of this Agreement by the Seller, the Buyer shall provide Wood a payment by a check in the amount of \$10,000.00. Time is of the essence in this provision and in the event that Wood has not vacated the Real Property with her personal property items on or before August 31, 2007, the parties agree that Wood shall not be entitled to such payment in the amount of \$10,000.

Wood shall indemnify and hold harmless the Buyer from any and all causes of action or judgments arising directly or indirectly from her use of the Real Property.

11. Assignment: Neither this Agreement nor any of the rights, interests nor obligations hereunder may be assigned by either party hereto without the prior written consent of the other party hereto, which consent will not be unreasonably withheld.
12. Survival: All of the terms of this Agreement and warranties and representations herein contained shall survive and be enforceable after the Closing.
13. Notices: Any notice required or permitted hereunder shall be given by personal delivery upon an authorized representative of a party hereto; or if mailed by United States registered or certified mail, return receipt requested, postage prepaid; or if transmitted by facsimile copy followed by mailed notice; or if deposited cost paid with a nationally recognized, reputable overnight courier, or by e-mail, properly addressed as follows:

If to Buyer:

Diana Wood
c/o Ronald O. Roeser
920 Davis Road, Suite 100
Elgin, IL 60123
E-Mail: ronroeser@roeserlaw.com

If to Seller: Village of Algonquin
c/o Michael J. Smoron
Zukowski, Rogers, Flood & McArdle
50 Virginia Street
Crystal Lake, IL 60014
E-Mail: msmoron@zrfmlaw.com

Notices shall be deemed effective on the earlier of the date of receipt or, in the case of email, the day that it is transmitted. Any party may change its address for the service of notice by giving notice of such change five (5) days prior to the effective date of such change.

14. Severability. The invalidity or unenforceability of any provision of this Agreement does not affect the validity or enforceability of any other provision of this Agreement. If a court of competent jurisdiction determines that any provision is invalid, the remaining provisions of this Agreement are to be construed as if the invalid provision had never been included in this Agreement.

Upon a determination that any provision is invalid, illegal, or unenforceable, the parties to this Agreement shall negotiate in good faith to modify this Agreement to give effect to the original intent of the parties as closely as possible in a mutually acceptable manner so that the transactions contemplated by this Agreement can be consummated as originally contemplated to the greatest extent possible.

15. Miscellaneous: The paragraph headings or captions appearing in this Agreement are for convenience only, are not a part of this Agreement, and are not to be considered in interpreting this Agreement. This written Agreement constitutes the complete agreement between the parties and supersedes any prior oral or written agreements between the parties regarding the Real Property. This Agreement can only be modified by a writing signed by all parties, and no waiver of any of its terms will be effective unless in writing executed by the party waiving the term. This Agreement binds and benefits the parties and their successors and assigns. This Agreement has been made under the laws of the State of Illinois, and such laws will control its interpretation.
16. Remedies: If there is a material default by the Buyer under the Agreement, and such default continues for more than five (5) days after the Seller provides the Buyer with written notice of default, the Seller may terminate this Agreement by giving written notice of termination to the Buyer. If there is a material default by the Seller under the Agreement, and such default continues for more than five (5) days after the Buyer provides the Seller written notice of default, the Buyer may terminate this Agreement by giving written notice of termination to the Seller. All disputes shall be venued in McHenry County, Illinois and all disputes shall be resolved under and pursuant to Illinois law.
17. Counter-part Signatures. This Agreement may be executed in any number of counter-parts, each of which counter-parts, when executed and delivered, shall be deemed to be an original and all of which counter-parts, taken together, shall constitute one in the same instrument.
18. Time is of the Essence. The parties agree that time is of the essence.

[SIGNATURE PAGE TO FOLLOW]

The Seller and the Buyer have executed this Agreement effective as of the date first written above.

BUYER:

Village of Algonquin,
an Illinois municipal corporation

By: _____
John Schmitt, Village President
Its: _____

SELLER:

Park National Bank, as Trustee of Land Trust
CS 98-164 dated December 10, 1999

By: _____
Trust Officer

Diana Wood

Z:\A\AlgonquinVillageof\RE PURCHASE 101 S MAIN ST, ALGONQUIN\Sale Agmt 101 S Main Street..doc



VILLAGE OF ALGONQUIN
GENERAL SERVICES ADMINISTRATION

– M E M O R A N D U M –

DATE: April 6, 2017

TO: Tim Schloneger, Village Manager

FROM: Michael Kumbera, Assistant Village Manager

SUBJECT: *Special Service Area #1 Tax Abatement*

As requested, attached is an ordinance for a partial property tax abatement for Special Service Area #1. This ordinance is in response to review of the McHenry County preliminary tax computation report for the 2016 tax year.

Background

In 2013, the Village Board approved Ordinance 2013-O-10 which established a Special Service Area (SSA) for the property located at 1 N. Main Street in Algonquin. The ordinance provides for a special tax levy to reimburse the Village for a total sum of \$350,000 for improvements made to adjacent sidewalks and right-of-way. This ordinance allows for up to \$70,000 annually to be levied for this purpose. The subject property is also within the Downtown TIF District in which any growth in assessed valuation produces incremental tax revenue for eligible expenses in the district.

Recommended Action

Upon receipt of the 2016 preliminary tax computation report, it was discovered that the levy for SSA #1 is being assigned a tax rate, which in turn, is also applied to the calculation for the tax increment. This conflicts with the policy intent of the establishment of the SSA. Accordingly, the Village Board must abate a portion of the SSA #1 levy in order to be extended the appropriate amount in aggregate. The following chart describes the intended, preliminary and corrected scenarios.

	Intended @ 11.5%	Preliminary	Corrected
Total EAV	\$ 1,841,246.00	\$ 1,841,246.00	\$ 1,841,246.00
Base EAV	\$ 303,214.00	\$ 303,214.00	\$ 303,214.00
Incremental EAV	\$ 1,538,032.00	\$ 1,538,032.00	\$ 1,538,032.00
TIF Increment Estimate	\$ 177,000.00	\$ 532,000.00	\$ 235,500.00
SSA Levy	\$ 70,000.00	\$ 70,000.00	\$ 11,500.00
TIF + SSA Total	\$ 247,000.00	\$ 602,000.00	\$ 247,000.00
Normal Rate	11.50%	11.50%	11.50%
SSA	0.00%	23.09%	3.79%
Total Rate	11.50%	34.59%	15.29%

The abatement of \$58,500 ($\$70,000 - \$11,500 = \$58,500$) must be approved by the Village Board and filed with the McHenry County Clerk's office no later than April 12, 2017 to be reflected on the upcoming tax bills in 2017.

In order to appropriately track the progress toward the reimbursement of the \$350,000 balance to the Village, staff will annually calculate the additional TIF increment revenue received due to the SSA rate and credit the balance.

Staff will be available at and prior to the Committee of the Whole meeting to answer any questions.

ORDINANCE NUMBER 2017 -O-

ORDINANCE ABATING SPECIAL SERVICE AREA TAXES FOR VILLAGE OF ALGONQUIN, ILLINOIS SPECIAL SERVICE AREA NUMBER ONE

WHEREAS, the Village of Algonquin, McHenry and Kane Counties, Illinois, passed Ordinance 2013-O-10 on March 5, 2013 entitled *An Ordinance Establishing Special Service Area Number 1 Within the Village of Algonquin for the Property Commonly Known as Riverside Square or Plaza*; and

WHEREAS, this Special Service Area Ordinance provided that the Village could levy a tax not to exceed \$70,000 annually from the date of the establishment of Special Service Area Number 1, for five consecutive or more years until the Village is fully reimbursed \$350,000; and

WHEREAS, Ordinance 2013-O-10 was passed after the deadline for property owners to submit petitions, signed by at least 51 percent of the electors residing within the Special Service Area and by at least 51 percent of the owners of record of land included within the boundaries of the Special Service Area, objecting to the formation of the Special Service Area, and Ordinance 2013-O-10 became effective 10 days after its passage; and

WHEREAS, Ordinance 2016-O-36 was passed on November 15, 2016 entitled *An Ordinance Levying Taxes for Special Service Area Number 1 in the Village of Algonquin for the 2016 Tax Year (Riverside Square or Plaza)* in the total sum of \$70,000.

NOW, THEREFORE, Be It Ordained by the President and Board of Trustees of the Village of Algonquin, McHenry and Kane Counties, Illinois, as follows:

SECTION 1: Abatement of Tax. The Taxes heretofore levied in Ordinance 2016-O-36 for 2016 shall be abated as follows:

Year	Amount Levied	Amount to be Abated	Remainder of Tax to be Extended
2016	\$70,000.00	\$58,500.00	\$11,500.00

SECTION 2: The Clerk of the aforesaid Village is hereby directed to file with the Clerk of McHenry County a duly certified copy of this Ordinance.

SECTION 3: It is the duty of the Clerk of McHenry County to further abate those taxes for levy year 2016 as provided in Section 1 of this Ordinance.

SECTION 4: If any section, paragraph, subdivision, clause, sentence or provision of this Ordinance shall be adjudged by any Court of competent jurisdiction to be invalid, such judgment shall not affect, impair, invalidate or nullify the remainder thereof, which remainder shall remain and continue in full force and effect.

SECTION 5: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 6: This Ordinance shall be in full force and effect upon its passage, approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Voting Aye:

Voting Nay:

Abstain:

Absent:

John C. Schmitt, Village President

(Seal)

ATTEST: _____
Gerald S. Kautz, Village Clerk

PASSED:

APPROVED:

PUBLISHED: