



PUBLIC MEETING NOTICE AND AGENDA  
COMMITTEE OF THE WHOLE MEETING

AUGUST 10, 2021  
7:30 P.M.

AGENDA

1. Call to Order
2. Pledge of Allegiance
3. Public Comment  
The public is invited to make an issue-oriented comment on any matter of public concern. The public comment may be no longer than 3 minutes in duration.
4. Staff Presentations
  - A. Administration
    1. Request for waiver of Section 43.09, "Noise", Parking and Sign Regulations from Club 400
    2. Resolution approving a Franchise Agreement with Comcast of Northern Illinois, Inc.
  - B. Police Department
    1. Resolution approving Amendments to the Police School Liaison Intergovernmental Agreement with Huntley School District #158
  - C. Public Works
    1. Resolution approving Change Order #1 for Sunset Park Skate Park Project
    2. Ordinance approving a Ground Lease with CST & Sons LLC for Hangar PAP-38
  - D. Community Development
    1. Contract and Budget Amendment for Purchase of Business Recruiting and Retention Software
    2. Economic Incentive Agreement with DM LITH, Inc. at 251 N. Randall Road
5. Board of Trustees
  - A. Trustee Harlfinger
  - B. Trustee Huckins
  - C. Trustee Dustin
    1. Planning and Zoning Commission Liaison Report
  - D. Trustee Bojarski
  - E. Trustee Murphy
  - F. Trustee Anderson
    1. Parks and Recreation Board Liaison Report
6. Village President

7. Adjournment

MEETING LOCATION  
Lake in the Hills Village Hall  
600 Harvest Gate  
Lake in the Hills, IL 60156

The Village of Lake in the Hills is subject to the requirements of the Americans with Disabilities Act of 1990. Individuals with disabilities who plan to attend this meeting and who require certain accommodations so that they can observe and/or participate in this meeting, or who have questions regarding the accessibility of the meeting or the Village's facilities, should contact the Village's ADA Coordinator at (847) 960-7410 [TDD (847) 658-4511] promptly to allow the Village to make reasonable accommodations for those persons.

Posted by: \_\_\_\_\_ Date: \_\_\_\_\_ Time: \_\_\_\_\_



# REQUEST FOR BOARD ACTION

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**MEETING DATE:** August 10, 2021

**DEPARTMENT:** Administration

**SUBJECT:** Club 400 requesting waiver of Section 43.09, "Noise", of the Lake in the Hills Municipal Code and waiver of Sign Regulations & Enforcement

## EXECUTIVE SUMMARY

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Attached please find a letter from Stewart McVicar, with Club 400, requesting enforcement activities be suspended to allow the erection of temporary signage on Henry Lane and a waiver of the provisions of Section 43.09, Noise, of the Municipal Code to allow music to be played at an event being held by Club 400 at 3090 Henry Lane on Friday, September 10, 2021. Finally, Stewart McVicar, on behalf of Club 400, requests that parking be allowed on the following streets for between 150 and 200 guests:

- Northside of Gladstone
- Eastside of Henry Lane
- Southside of Gateway
- Eastside of Albrecht

Accordingly, the police department will place signage restricting parking to only one side of the street during the events. This will alleviate street congestion and allow for better traffic flow for residents and emergency vehicle access if necessary.

Club 400 will also be applying for a one day Event Permit Liquor License.

Stewart McVicar will be present at the August 10, 2021 Committee of the Whole meeting.

## FINANCIAL IMPACT

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None.

## ATTACHMENTS

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1. Club 400 Letter

## RECOMMENDED MOTION

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Motion to waive the provisions of Section 43.09, "Noise" from 6:00pm until 10:00pm, suspend enforcement activities to allow the installation of temporary signage on Henry Lane, and allow parking for between 150 and 200 guests for the event being held by Club 400 on September 10, 2021 at 3090 Henry Lane.



Nancy Sujet  
Village of Lake in the Hills  
Village Hall  
600 Harvest Gate  
Lake in the Hills, IL 60156

**Via Email to:** Nancy Sujet, [nsujet@lith.org](mailto:nsujet@lith.org)

**RE:** Stewart McVicar/Club 400 2021 Event

Dear Nancy,

Club 400 and Stewart McVicar request a waiver of enforcement for noise, posting temporary signage, and parking ordinance requirements on Friday, September 10th, 2021 from 6:00pm until 10:00pm.

Stewart McVicar, property owner of 3090 Henry Lane, Lake in the Hills, is seeking approval to host a charity event on Friday, September 10th, 2021. The event is set to commence at 6:00pm with some guests and volunteers arriving early for set-up. The event is set to conclude at approximately 10:00pm with some guests and volunteers to remain on site later for clean-up. It is anticipated approximately 150-200 guests and volunteers will be present. Temporary signs will be placed on the property at 3090 Henry Lane, LITH and will not be posted elsewhere in the Village.

The September 10th, 2021 event will feature Chicago Cubs players/celebrities, Ryan Dempster and Glendon Rusch with approximately 150 tickets sold to benefit the Colon family. A ticket to the event includes food, drink, a meet-and-greet with the celebrities, outdoor music and entertainment, and an auction of donated Cubs memorabilia. Live auction revenue will also benefit the cause.

The event will be catered by a local restaurant and food permits will be in place to serve food and drink by McHenry County Health Department. Beer, wine and soft drinks will be served. We will have off-duty police checking IDs and handing out wristbands that will signify a person is over 21 years of age. All servers will carry Bassett certification and are trained to look for wristbands, underage drinkers, and intoxicated individuals. The property is also fenced in on 3-sides with only one entrance into and out of the event.

Parking will be restricted to one side of the street to ensure emergency vehicle access to the property. Parking will be available as follows, with "no parking" signs on the opposite side of the streets: north side of Gladstone,

3090 Henry Lane □ Lake in the Hills, IL 60156  
815.385.5463

east side of Henry Lane, south side of Gateway and east side of Albrecht. In addition, a shuttle service will be operating to take attendees from the parking lots near Red Tail Golf Course to the event to reduce parking on the streets.

We are in the process of obtaining a special event certification of insurance for general liability, which includes host liquor for the event. Our applications for Event Permits from the Village will be sent off as soon as we receive our insurance certificate. We do not anticipate any issues with insurance or securing the appropriate permits.

Please let me know if you have any questions at this time or need clarification. We appreciate your consideration of these requests. If possible, we would like our requests placed on the agenda for an upcoming board meeting. Thank you for your time and consideration.

Sincerely,

Stewart McVicar

Bradford Stewart, [bstewart@zrfmlaw.com](mailto:bstewart@zrfmlaw.com)  
Stewart McVicar, [stewartmcvicar@yahoo.com](mailto:stewartmcvicar@yahoo.com)  
Nicole T. Geu, [nicolegeu@gmail.com](mailto:nicolegeu@gmail.com)



# REQUEST FOR BOARD ACTION

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**MEETING DATE:** August 10, 2021

**DEPARTMENT:** Administration

**SUBJECT:** Cable Television Franchise Agreement with Comcast of Northern Illinois, Inc.

## EXECUTIVE SUMMARY

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The Village's existing franchise agreement with Comcast of Northern Illinois, Inc. expired on May 26, 2020. The proposed agreement, which has been attached for your review, allows Comcast to operate and maintain their cable system in the Village subject to the terms and provisions of the Village's Ordinances governing the streets and rights of way of the Village. Comcast will pay a franchise fee of 5% of the annual gross revenues received from the operation of the cable system. The proposed contract also references the customer service obligations of the Illinois Cable and Video Customer Protection Act which sets the default provisions for customer service standards. The agreement is for a 10 year term commencing on June 24, 2021.

## FINANCIAL IMPACT

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In FY2019 Comcast paid franchise fees in the amount of \$372,028 and in FY20 they paid \$354,326.

## ATTACHMENTS

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1. Resolution and Cable Television Franchise Agreement

## RECOMMENDED MOTION

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Motion to approve a Resolution authorizing the Village President to execute the franchise agreement between the Village and Comcast of Northern Illinois, Inc.

VILLAGE OF LAKE IN THE HILLS

RESOLUTION NO. 2021-\_\_\_\_\_

A Resolution approving a Cable Franchise Agreement with Comcast of Northern Illinois, Inc.

WHEREAS, the Village of Lake in the Hills and Comcast of Northern Illinois, Inc. entered into a cable television franchise agreement dated May 26, 2015 that provided Comcast of Northern Illinois, Inc. for the construction, operation and maintenance of a Cable System on the terms and conditions set forth in the agreement; and

WHEREAS, the aforesaid agreement expired on May 26, 2020; and

WHEREAS, the Village and Comcast of Northern Illinois, Inc. seek to renew the franchise agreement under the terms, conditions and covenants contained in the Cable Franchise agreement, attached hereto as Exhibit A.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Lake in the Hills, McHenry County, State of Illinois as follows:

SECTION 1: The Village President is hereby authorized to execute the Cable Franchise agreement with Comcast of Northern Illinois, Inc. for the term of 10 years.

SECTION 2: This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

Passed this 12<sup>th</sup> day of August 2021 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 12TH DAY OF AUGUST, 2021

\_\_\_\_\_  
Village President, Ray Bogdanowski

(SEAL)

ATTEST: \_\_\_\_\_  
Village Clerk, Shannon DuBeau

Published:



# Exhibit A

**CABLE TELEVISION FRANCHISE AGREEMENT  
BY AND BETWEEN AND  
THE VILLAGE OF LAKE IN THE HILLS, ILLINOIS  
AND  
COMCAST OF NORTHERN ILLINOIS, INC.**

**THIS FRANCHISE AGREEMENT** (hereinafter, the "Agreement" or "Franchise Agreement") is made between the Village of Lake in the Hills, Illinois (hereinafter, the "Village"), an Illinois municipal corporation, and Comcast of Northern Illinois, Inc. (hereinafter, "Grantee"), to be effective \_\_\_\_\_, 2021.

The Village, having determined that the financial, legal and technical abilities of the Grantee are reasonably sufficient to provide the services, facilities, and equipment necessary to meet the future cable-related needs of the Village, desires to enter into this Franchise Agreement with the Grantee for the construction, operation and maintenance of a Cable System on the terms and conditions set forth herein.

This Agreement is entered into by and between the parties under the authority and shall be governed by the Cable Communications Policy Act of 1984, as amended from time to time, 47 U.S.C. Sections 521 et seq, (the "Cable Act"), and the Illinois Municipal Code, as amended from time to time; provided that any provisions of the Illinois Municipal Code that are inconsistent with Cable Act shall be deemed to be preempted and superseded.

## **Article I – Franchise Hereby Granted**

a. The Village hereby agrees to permit the Grantee to construct, operate and maintain a cable system in the Village subject to the terms and provisions of the Village's generally applicable ordinances governing the streets and rights of way of the Village.

b. The Village hereby agrees that, provided the Grantee is in compliance with all generally applicable Village codes and ordinances, the term of the Franchise granted hereunder shall be for a period of ten (10) years from and after the Effective Date.

## **Article II – Operations within the Village's Rights of Way**

a. The Grantee hereby agrees to occupy the rights of way in accordance with the terms and provisions of Illinois State law and the Village's generally applicable ordinances governing the streets and rights of way of the Village including, but not limited to, the provisions of Chapter 25 of the Lake in the Hills Municipal Code governing Construction of Utility Facilities in the Rights of Way, as currently in effect and as may be subsequently amended.

b. The Grantee shall at all times maintain insurance and shall provide the Village with certificates of insurance in accordance with the provisions of Chapter 25 of the Lake in the Hills Municipal Code governing Construction of Utility Facilities in the Rights of Way, as currently in effect and as may be subsequently amended. Said certificates of insurance shall name the Village and its elected and appointed officers, officials, agents and employees as an additional insureds.



### **Article III – Franchise Fee**

a. The Grantee shall pay a franchise fee to the Village for the privilege of operating in the Village's rights of way in a manner consistent with the provisions of the Cable Communications Policy Act of 1984, as now in effect and as may be subsequently amended from time to time. The franchise fee shall be in an amount equal to five percent (5%) of annual Gross Revenues received from the operation of the cable system to provide cable service in the Village, and shall be made on a quarterly basis, and shall be due forty-five (45) days after the close of each calendar quarter. If mailed, the Franchise Fee shall be considered paid on the date it is postmarked. The Village hereby agrees that the total franchise fee, as interpreted under the Cable Communications Policy Act of 1984, shall not exceed the greater of the percentage of fees any other video service provider, under state authorization or otherwise, providing service in the Franchise Area pays to the Village.

b. As used in this agreement, gross revenue means the cable service revenue derived by the Grantee from the operation of the cable system in the Village's Rights of Way to provide cable services, calculated in accordance with generally accepted accounting principles. Gross revenues shall also include such revenue sources from the provision of cable service as may now exist or hereafter develop from or in connection with the operation of the cable system within the Village, provided that such revenues, fees, receipts, or charges may lawfully be included in the gross revenue base for purposes of computing the Village's permissible franchise fee under the Cable Act, as may be amended from time to time.

c. The Village and Grantee acknowledge that the audit standards are set forth in the Illinois Municipal Code at 65 ILCS 5/11-42-11.05 (Municipal Franchise Fee Review; Requests For Information). Any audit shall be conducted in accordance with generally applicable auditing standards.

d. In accordance with 65 ILCS 5/11-42-11.05(k), the Village shall provide on an annual basis, a complete list of addresses within the corporate limits of the Village. If an address is not included in the list or if no list is provided, the Grantee shall be held harmless for any franchise fee underpayments (including penalty and interest) from its errors.

### **Article IV – Cable Communications Policy Act of 1984**

Nothing in this Agreement shall be construed to limit, in any way, the Grantee's rights or responsibilities under the Cable Communication Policy Act of 1984, as amended and the renewal of this Agreement shall be governed by that Act.

### **Article V – Public, Educational and Governmental Access Programming**

a. The Grantee shall provide capacity for the Village's noncommercial public, educational and governmental access ("PEG") programming through one Channel (the "Channel") on the Grantee's Cable System. Unless otherwise agreed to by the Village and the Grantee to the extent required by applicable law, the Channel may be carried on the Grantee's digital basic service tier. The Village's PEG programming shall be provided consistent with Section 611 of the Cable Act, as amended from time to time.

b. The Grantee does not relinquish its ownership of or ultimate right of control over a channel by designating it for PEG use. However, the PEG channel is, and shall be, operated by the Village, and the Village may at any time allocate or reallocate the usage of the PEG channel among and between different non-commercial uses and Users.

c. At such time that the Village determines that it wants to establish capacity to allow its residents who subscribe to Grantee's Cable Service to receive PEG access programming originated from Schools and/or Village facilities; or at such time that the Village determines that it wants to change or upgrade a location from which PEG access programming is originated; the Village will give the Grantee written notice detailing the point of origination and the capability sought by the Village. The Grantee agrees to submit a cost estimate to implement the Village's plan within a reasonable period of time. After an agreement to reimburse the Grantee for its expenditure, the Grantee will implement any necessary system changes within a reasonable period of time.

d. Because the Village and Grantee agree that a blank or under utilized Access Channel is not in the public interest, in the event the Village does not completely program a Channel, Grantee may utilize the Channel for its own purposes. Grantee may program unused time on the Channel subject to reclamation from the Village upon no less than sixty (60) days notice. The programming of the Access Channel with text messaging or playback of previously aired programming shall not constitute fallow time. Text messaging containing out of date or expired information for a period of thirty (30) days shall be considered fallow time. A programming schedule that contains playback of previously aired programming that has not been updated for a period of ninety (90) days shall be considered fallow time. Fallow time shall be considered to be a period of time, in excess of six (6) hours, where no community produced programming of any kind can be viewed on an access Channel. Fallow time shall not include periods of time where programming cannot be viewed that are caused by technical difficulties, transition of broadcast media, signal testing, replacement or repair of equipment, or installation or relocation of facilities.

#### **Article VI – Customer Service Standards**

The Village and Grantee acknowledge that the customer service standards and customer privacy protections are set forth in the Cable and Video Customer Protection Act (220 ILCS 5/22-501 *et. seq.*). Enforcement of such requirements and standards and the penalties for non-compliance with such standards shall be consistent with that Act.

#### **Article VII – Notices**

Any notification that requires a response or action from a party to this franchise within a specific time-frame, or that would trigger a timeline that would affect one or both parties' rights under this franchise, shall be in writing and shall be sufficiently given and served upon the other party by hand delivery, first class mail, registered or certified, return receipt requested, postage prepaid, or by reputable overnight courier service and addressed as follows:

To the City:

To the Grantee:



Village of Lake in the Hills  
600 Harvest Gate  
Lake in the Hills, Illinois 60156  
ATTN: Village Administrator

Comcast  
1500 McConnor Parkway  
Schaumburg, Illinois 60173  
ATTN: Director of Government Affairs

Recognizing the widespread usage and acceptance of electronic forms of communication, emails and faxes will be acceptable as formal notification related to the conduct of general business amongst the parties to this contract, including but not limited to programming and price adjustment communications. Such communication should be addressed and directed to the person of record as specified above. Either party may change its address and addressee for notice by notice to the other party under this article.

**IN WITNESS WHEREOF**, this Franchise Agreement has been executed by the duly authorized representatives of the parties as set forth below, as of the date set forth below:

**For the Village of Lake in the Hills, Illinois:**

**For Comcast of Northern Illinois, Inc.:**

By: \_\_\_\_\_

By:  \_\_\_\_\_

Its: \_\_\_\_\_

Its: **RSVP** \_\_\_\_\_



# REQUEST FOR BOARD ACTION

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**MEETING DATE:** August 10, 2021

**DEPARTMENT:** Police

**SUBJECT:** Amendment to Police School Liaison Intergovernmental Agreement between Huntley School District #158 and the Village of Lake in the Hills

## EXECUTIVE SUMMARY

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The Village entered into an Intergovernmental Agreement with School District #158 in January, 2019 for Police School Liaison Services. The original agreement under section 2.0 required that the School Resource Officer complete a 40 hour basic school resource officer training course within six months of their assignment. Changes in the Police Training Act effective January 1, 2021, now require that officers assigned as School Resource Officers complete the requisite 40 hour basic school resource training prior to serving in this assignment. School District #158 has provided the Village with the amended agreement reflecting that school resource officers have completed the required course of instruction prior to the assignment. The current School Resource Officer is in compliance with this requirement.

## FINANCIAL IMPACT

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None.

## ATTACHMENTS

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1. Original Intergovernmental Agreement between Huntley School District #158 and the Village of Lake in the Hills
2. Resolution approving First Amendment to the Intergovernmental Agreement

## RECOMMENDED MOTION

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Motion to approve the Resolution approving the first amendment to the intergovernmental agreement between Huntley Community School District #158 and the Village of Lake in the Hills for Police School Liaison Officer Services.

**INTERGOVERNMENTAL AGREEMENT BETWEEN HUNTLEY COMMUNITY  
SCHOOL DISTRICT NO. 158  
AND THE VILLAGE OF LAKE IN THE HILLS  
PROVIDING FOR  
POLICE SCHOOL LIAISON OFFICER SERVICES**

**THIS INTERGOVERNMENTAL AGREEMENT** (the "Agreement") is entered into by and between the Board of Education of Huntley Community School District No. 158 (hereinafter called "District 158"), and the Village of Lake in the Hills, Illinois, (hereinafter called the "Village").

**WHEREAS**, both the Village and District 158 desire to have a Village of Lake in the Hills Police Officer assigned to serve as a School Liaison Officer at District 158's Reed Road Campus, located in the Village of Lake in the Hills, in order to maintain a more personal relationship between law enforcement agents and students in the school, assist in educational programs, protect the students and the school from theft, vandalism, trespassing, and deal more effectively with juvenile offenses; and

**WHEREAS**, the other school campuses in District 158 have engaged in similar agreements for a School Liaison Officer with their host municipalities; and

**WHEREAS**, both District 158 and the Village want to continue the productive relationship established through the School Liaison Officer program.

**NOW, THEREFORE**, in consideration of the mutual promises, covenants, terms, and conditions set forth in this Agreement, the parties agree as follows:

**SECTION 1: INCORPORATION OF RECITALS**

The foregoing recitals are incorporated into and made a part of this Agreement as though fully set forth herein.

## **SECTION 2: THE POLICE SCHOOL LIAISON OFFICER PROGRAM**

### **2.0 Provide Village Police Officers to District 158 for Interview**

This program involves the selection of a Village police officer for assignment to District 158's Reed Road Campus as a Police School Liaison Officer ("Police Liaison Officer") for the term defined herein.

The Village will provide to District 158 a list of qualified Police Officers who are in good standing with the Village to interview for the position of Police Liaison Officer at the Reed Road Campus. A joint committee ("Committee") composed of personnel designated by District 158 and the Village of Lake in the Hills Police Department shall decide which Police Officer(s) would best meet the requirements and criteria of District 158 for its Police Liaison Officer. The Village shall provide Police Officers with the following desired qualifications for interview:

- Illinois Certified Police Officer
- Attended a 40-hour Basic School Resource Officer training class (to be obtained within 6 months of the start of assignment).
- Trained in gang resistance and alcohol/drug resistance curricula;
- Verbal, written and interpersonal skills, including public speaking;
- Knowledge of, and experience in, matters involving cultural diversity;

### **2.1 Assignment of Village Police Officer to District 158**

The Village shall assign to District 158 the Police Officer chosen by the Committee to act as the Police Liaison Officer on issues of security and community education. However, the Village Police Officer will remain an employee of the Village and all personnel rules applicable to said Village Police Officer shall continue to apply to the Police Officer and the Police Officer will at all times abide by all personnel rules of the Village of Lake in the Hills and the applicable

Collective Bargaining Agreement even when serving as District 158's Police Liaison Officer. As an employee of the Village and not District 158, the Village Police Officer shall not be entitled to any benefits that District 158 provides to its employees. The scope of the Police Liaison Officer's duties and responsibilities may be changed or redefined at any time when agreed upon by both the Village Police Department and District 158.

If, for any reason, the Police Officer selected by the Committee to be the Police Liaison Officer is unavailable, the Village shall make all reasonable efforts to provide a temporary replacement to fulfill the Police Liaison Officer's duties in his absence, or, if a replacement is unavailable, to assist the District in the absence of the Police Liaison Officer including, as appropriate, by providing walkthroughs of the Reed Road Campus facilities and otherwise consulting with District personnel as necessary and appropriate. In the event the Police Liaison Officer selected pursuant to this agreement is unavailable to fulfill his duties for 20 or more consecutive school days, at the District's option a new Police Liaison Officer will be selected by the Committee in accordance with the procedures set forth in Section 2.0.

## 2.2 Duties and Responsibilities of Police Liaison Officer

The Village Police Officer assigned to District 158 as its Police Liaison Officer shall have the following duties and responsibilities:

### 2.2.1 Educational Responsibilities

- a. Work cooperatively with the building administration and staff to plan and schedule appropriate lessons in topics including, but not limited to gang/violence and drug and alcohol resistance education.
- b. Provide training for faculty and staff on the role of the Police Liaison Officer as



well as on topics of interest and importance to the staff related to her/his expertise.

#### 2.2.2 Police Liaison Officer Responsibilities

- a. Promote a positive relationship and enhance communications between police officers, students, faculty, and staff at School District 158.
- b. Interact with students as a positive role model.
- c. Work collaboratively with the administrators to arrange and participate in parent/community education sessions.
- d. Work collaboratively with administrators and counselors to develop strategies for dealing with behaviorally at-risk students.
- e. Establish a working relationship with behaviorally at-risk students.

#### 2.2.3 Security Responsibilities

- a. Maintain a high level of visibility during school entrance and dismissal times as well as during passing periods.
- b. Meet with building administrators to advise them of potentially violent situations and to plan for the safe resolution of those situations.
- c. Follow building and District 158 behavior policies.
- d. In the Police Liaison Officer's professional judgment, enforce all Federal, State, and Municipal statutes and ordinances and refer all matters of school discipline to the proper administrator.
- e. Assist school staff in the event of an emergency.

### 2.3 Evaluation of the Program

At least once a year, the Director of School Safety, the Principals of Chesak Elementary School, Martin Elementary School, and Marlowe Middle School, and a designated representative of the Village of Lake in the Hills Police Department shall meet to discuss and evaluate the Program.

**SECTION 3: COST**

District 158 will reimburse the Village for 50% of the cost of the Police Liaison Officer as invoiced by the Village, which may be reviewed, modified and/or changed by mutual agreement on an annual basis, or at any time a Police Liaison Officer is replaced, to reflect any cost change of compensating the Village for its Police Officer. Such “cost”, as set forth above, shall include compensation to the Police Liaison Officer, paid by the Village, as well as amounts reasonably estimated by the Village for costs associated with the Police Liaison Officer’s insurance, pension or any other benefit paid for relative to the Police Liaison Officer by the Village. Any overtime costs incurred as a result of either of the Police Liaison Officer attending school activities will be the responsibility of District 158 and will be paid to the Village by District 158 promptly upon presentation of an invoice for same.

District 158 will pay its share of the costs in 12 equal monthly installments no later than the 15<sup>th</sup> of each month.

**SECTION 4: TERM**

This Agreement shall be in full force beginning on the first day of school attendance for students in the 2019 – 2020 school year, and shall end on the last day of school attendance by students for the 2019 – 2020 school year. Thereafter, this Agreement shall automatically be renewed for each successive school term unless earlier terminated according to this Section.

Either party may terminate this Agreement at any time after the last day of school

attendance by students in June 2020 by providing the other party thirty (30) days prior written notice of such termination. In addition, the parties may terminate this Agreement at any time by mutual consent and written agreement.

## **SECTION 5: LIABILITY, RESPONSIBILITY, AND AUTHORITY**

### **5.0 District 158**

Except to the extent prohibited by law and without waiving any and all of its defenses, including those pursuant to the Illinois Local Government and Government Employee's Tort Immunity Act, 745 ILCS 10/1-101 *et seq.*, District 158 shall be liable for all liability, losses, claims, actions, demands, liens, damages, penalties, interest, costs and expenses including attorney's fees related to the acts, errors, or omissions of District 158, its officers, officials, servants, agents, volunteers, representatives or employees, including any breach hereunder, during the Term of this Agreement.

District 158 shall indemnify, hold harmless, and defend the Village, its officers, officials, servants, agents and employees against all liability, losses, claims, actions, demands, liens, damages, penalties, interest, costs and expenses including attorney's fees which the Village, its officers, officials, servants, agents or employees may hereinafter sustain, incur or be required to pay, arise wholly or in part due to any act or omission of District 158, its officers, officials, servants, agents, volunteers, representatives or employees during the Term of this Agreement.

### **5.1 The Village**

Except to the extent prohibited by law and without waiving any and all of its defenses, including those pursuant to the Illinois Local Government and Government Employee's Tort Immunity Act, 745 ILCS 10/1-101 *et seq.*, the Village shall be liable for all liability, losses, claims, actions, demands, liens, damages, penalties, interest, costs and expenses including

attorney' s fees related to the acts, errors, or omissions of the Village's Police Liaison Officer, , including any breach hereunder, during the Term of this Agreement.

The Village shall indemnify, hold harmless, and defend District 158, its officers, officials, servants, agents and employees against all liability, losses, claims, actions, demands, liens, damages, penalties, interest, costs and expenses including attorney ' s fees, which District 158, its officers, officials, servants, agents or employees may hereinafter sustain, incur or be required to pay, arising wholly or in part due to any act or omission of the Village's Police Liaison Officer during the Term of this Agreement.

5.2 Nothing contained in Section 5 or in any other provision of this Agreement, is intended to constitute nor shall it constitute a waiver of the defenses available to District 158 or the Village under the Illinois Local Governmental and Governmental Employees Tort Immunity Act, with respect to claims by third parties.

#### **SECTION 6: INSURANCE REQUIREMENTS.**

6.0 District 158. District 158 shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of this Agreement.

Minimum Scope of Insurance. Coverage shall be at least as broad as:

- a. Commercial General Liability - Occurrence form; naming the Village as additional insured on a primary and non-contributory basis.
- b. Automobile Liability; names the Village as additional insured on a primary and non-contributory basis.
- c. Worker's Compensation as required by the laws of the State of Illinois.
- d. Employer's Liability Insurance.



- e. Umbrella or Excess Liability policy; provides follow form coverage to the above listed policies.

6.1 The Village. The Village shall procure and maintain for the duration of the Agreement insurance against claims for injuries to persons or damages to property that may arise from or in connection with the performance of this Agreement by the Police Liaison Officer as set forth below.

Minimum Scope of Insurance. Coverage shall be at least as broad as:

- a. Commercial General Liability - Occurrence form; on a primary and non-contributory basis. Coverage must be included for sexual abuse and molestation.
- b. Automobile Liability; on a primary and non-contributory basis.
- c. Police Professional Liability/ Errors and Omissions policy; on a primary and non-contributory basis.
- d. Worker's Compensation as required by the laws of the State of Illinois.
- e. Employer's Liability Insurance.
- f. Umbrella or Excess Liability policy; provides follow form coverage to the above listed policies.

Any cost associated with the sexual and molestation coverage shall be reimbursed promptly by District 158 to the Village upon presentation of an invoice.

6.2 Minimum Limits of Insurance. The policies set forth above shall be maintained with limits no less than:

- a. Commercial General Liability: \$1,000,000 per occurrence with a \$3,000,000 aggregate for bodily injury, personal injury, and property damage.

- b. Automobile Liability: \$1,000,000 combined single limit per accident for bodily injury and property damage.
- c. Police Professional Liability: \$1,000,000 per occurrence with a \$3,000,000 aggregate liability limit for errors and omissions, professional/malpractice liability.
- d. Workers' Compensation and Employers' Liability: Workers' Compensation statutory limits as required by the laws of the State of Illinois, and Employers' Liability limits of \$1,000,000 Each Accident/\$1,000,000 Disease - Each Employee/\$1,000,000 Disease -Policy Limit.
- e. Umbrella or Excess Liability Coverage: \$5,000,000 per occurrence with \$5,000,000 aggregate.

6.3 Deductibles and Self-Insured Retentions. The parties' respective obligations hereunder may be satisfied through a self-insurance trust maintained by that party or its affiliates.

6.4 Other Insurance Provisions. The policies to be obtained or maintained by the parties are to contain, or be endorsed to contain, the following provisions:

- a. Workers' Compensation and Employers' Liability Coverage:

Each party's insurer shall agree to waive all rights of subrogation against the other party, its elected officials, officers, employees, subcontractors and/or agents for losses arising out of this Agreement.

- b. All Coverages:

Each insurance policy required by this clause shall be endorsed to state that the coverage shall not be suspended, voided, canceled, reduced in coverage or

in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the other party.

c. Certificate of Insurance:

Upon request, each party shall furnish the other with Certificates of insurance evidencing the coverage required by this Agreement, that is signed by a person authorized by that insurer to bind coverage on its behalf. Each party reserves the right to request full, certified copies of the insurance policies.

In the event of the expiration of the policy period for any one or more of the insurance policies, each party shall promptly furnish the other with current Certificates of insurance evidencing its continued coverage as required by this Agreement.

## **SECTION 7: GENERAL PROVISIONS**

### **7.0 Amendment or Modification to the Agreement**

Any terms or conditions of this Agreement may be deleted or altered only by written amendment or modification to this Agreement, duly executed by the Village and District 158.

### **7.1 Good Faith**

Both the Village and District 158 have an obligation to perform its respective duties under this Agreement in good faith.

### **7.2 Severability**

If any provision of this Agreement shall be held or deemed to be, or shall, in fact, be inoperative or unenforceable in any particular case or in all cases for any reason, this shall not render the provision in question inoperative or unenforceable in any other case or circumstances,



or render any other provisions herein contained invalid, inoperative, or unenforceable to any extent whatever. The invalidity of any one or more phrases, sentences, clauses or sections contained in the Agreement shall not affect the remaining portions of the Agreement or any part thereof.

### 7.3 Interpretation

Any headings of the Agreement are for convenience of reference only and do not define or limit the provisions thereof. Words of gender shall be deemed and construed to include correlative words of other genders. Words importing the singular shall include the plural and vice versa unless the context shall otherwise indicate. All references to any such person or entity shall be deemed to include any person or entity succeeding to the rights, duties, and obligations of such person or entity succeeding to the rights, duties, and obligations of such person or entity in accordance with the terms and conditions of the Agreement.

### 7.4 Assignment

Neither party hereto may assign its respective rights or duties hereunder.

### 7.5 No Third Party Beneficiaries

No other person or party shall be or be deemed to be a third party beneficiary of this Agreement.

### 7.6 Waiver of Breach

If either party waives a breach of any provision of this Agreement by the other party, that waiver will not operate or be construed as a waiver of any subsequent breach by either party nor shall it prevent either party from enforcing such provisions.

### 7.7 Merger Clause -Integration

This Agreement sets forth the entire understanding of the parties relative to the subject hereof and supersedes any and all prior agreements, express or implied, oral or written. No subsequent amendment or modification of the Agreement shall be effective unless reduced to writing and executed by the parties in accordance with Section 8.0 herein.

7.8 Compliance with all Laws

The Village and District 158 shall at all times observe and comply with the laws, ordinances, regulations, and codes of Federal, State, County and other local governments and agencies, which may in any manner affect the performance of this Agreement.

7.9 Governing Law - Venue

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and applicable federal law. Venue shall only be proper in a court of competent jurisdiction located within the County of McHenry, Illinois.

7.10 Corporate Authority

Each party represents and warrants that the person whose name appears on the signature page below has or has been delegated the lawful and corporate authority to enter into this Agreement on behalf of that party. Following initial approval of this Agreement by the Village Board and except for amendment of this Agreement, the Village Manager shall have authority to execute and do all things and actions contemplated to be done by the Village under this Agreement.

7.11 Counterparts


This Agreement may be signed in any number of counterparts, each of which shall be an original, and such counterparts together shall constitute one and the same instrument.

**IN WITNESS WHEREOF**, the Board of Education of Huntley Community School

District No. 158 and the Village of Lake in the Hills, Illinois, have caused this Agreement to be executed on their behalf and attested by their duly authorized officers, all on the day(s) herein set forth.


**SIGNATURES ON FOLLOWING PAGE**

HUNTLEY COMMUNITY SCHOOL DISTRICT NO. 158

By:   
Its: President

Date: 12/20/18

VILLAGE OF LAKE IN THE HILLS, ILLINOIS

By:   
Its: PRESIDENT

Date: 1-24-2019

VILLAGE OF LAKE IN THE HILLS

RESOLUTION NO. 2021-\_\_\_\_\_

**A Resolution Approving the First Amendment to an  
Intergovernmental Agreement between  
Huntley Community School District No. 158  
and the Village of Lake in the Hills  
Providing for Police School Liaison Officer Services**

WHEREAS, the Board of Education of Huntley Community School District No. 158 ("District 158") and the Village of Lake in the Hills ("Village") previously entered into an Intergovernmental Agreement Providing for Police School Liaison Officer Services dated January 24, 2019; and

WHEREAS, effective January 1, 2021, Section 10-20.67 of the Illinois School Code (105 ILCS 5/10-20.67) requires that all school resource officers, as that term is defined therein, have completed a course of instruction developed by the Illinois Law Enforcement Training Standard Board pursuant to Section 10.22 of the Illinois Police Training Act (50 ILCS 705/10-22); and

WHEREAS, District 158 and the Village wish to amend the Agreement to comply with the training requirements set forth in the Illinois School Code.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Lake in the Hills, McHenry County, State of Illinois.

SECTION 1: The foregoing recitals are hereby incorporated herein as if fully set forth as findings of the President and Board of Trustees.

SECTION 2: The First Amendment to Intergovernmental Agreement between Huntley Community School District No. 158 and the Village of Lake in the Hills providing for Police School Liaison Officer Services, attached hereto and by this reference incorporated herein and made a part hereof, shall be and thereby is approved.

SECTION 3. This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

Passed this 12<sup>th</sup> day of August 2021 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	====	_____	_____	_____
Trustee Bob Huckins	====	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	====	_____	_____	_____

APPROVED THIS 12TH DAY OF AUGUST, 2021

\_\_\_\_\_  
Village President, Ray Bogdanowski

(SEAL)

ATTEST: \_\_\_\_\_  
Village Clerk, Shannon DuBeau

Published:

**FIRST AMENDMENT TO INTERGOVERNMENTAL AGREEMENT BETWEEN  
HUNTLEY COMMUNITY SCHOOL DISTRICT NO. 158  
AND THE VILLAGE OF LAKE IN THE HILLS  
PROVIDING FOR POLICE SCHOOL LIAISON OFFICER SERVICES**

**WHEREAS**, the Board of Education of Huntley Community School District No. 158 (“District 158”) and the Village of Lake in the Hills, Illinois (“Village”) previously entered into an Intergovernmental Agreement Providing for Police School Liaison Officer Services dated \_\_\_\_\_, 2019 (the “Agreement”); and

**WHEREAS**, effective January 1, 2021, section 10-20.67 of the Illinois School Code (105 ILCS 5/10-20.67) requires that all school resource officers, as that term is defined therein, have completed a course of instruction developed by the Illinois Law Enforcement Training Standards Board pursuant to section 10.22 of the Illinois Police Training Act (50 ILCS 705/10-22); and

**WHEREAS**, the parties wish to amend the Agreement to comply with the training requirements set forth in the Illinois School Code.

**NOW, THEREFORE**, by agreement of the parties, the Agreement is amended as follows:

1. Paragraph 2.0 of the Agreement is amended by striking the second bullet-point thereof, stating “Attended a 40-hour Basic School Resource Officer training class (to be obtained within 6 months of the start of assignment)” and replacing it with the following:  
“Has completed a course of instruction for school resource officers developed by the Illinois Law Enforcement Training Standards Board under Section 10.22 of the Illinois Police Training Act (50 ILCS 705/10.22) within one year prior to assignment;”
2. All other terms and conditions of the Agreement not explicitly amended herein remain in full force and effect.

**HUNTLEY COMMUNITY SCHOOL DISTRICT NO. 158**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_



**VILLAGE OF LAKE IN THE HILLS, ILLINOIS**

By: \_\_\_\_\_

Its: \_\_\_\_\_

Date: \_\_\_\_\_



# REQUEST FOR BOARD ACTION

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**MEETING DATE:** August 10, 2021  
**DEPARTMENT:** Public Works  
**SUBJECT:** Sunset Park Skate Park Change Order #1

## EXECUTIVE SUMMARY

---

Staff seeks Board approval of a Resolution and Change Order to increase the contract completion time with American Ramp Company for the Sunset Skate Park Removal and Replacement Project.

The Village awarded a contract to American Ramp Company in the amount of \$230,000 on March 25, 2021 for the purchase and installation of replacement equipment for the skate park at Sunset Park. The RFP outlining the project stipulated a July 1 completion date. However, the Village did not receive the equipment until July 12 due to delivery issues and not wanting to take auxiliary parking away from Ribfest. Additionally, the contractor began another job outside the area due to the material delay subsequently making him unable to begin installation until July 12. An oversight on the part of staff has resulted in this request coming to the Board until after the fact. As of August 4, American Ramp Company has completed the installation and the feature is open to users.

## FINANCIAL IMPACT

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None

## ATTACHMENTS

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1. Resolution
2. Change order

## RECOMMENDED MOTION

---

Motion to approve a Resolution and Change Order to increase the contract completion time with American Ramp Company for the Sunset Skate Park Removal and Replacement Project.

VILLAGE OF LAKE IN THE HILLS

RESOLUTION NO. 2021-\_\_\_\_\_

**A Resolution approving Change Order 1 to extend the contract completion date to August 13, 2021**

WHEREAS, the Village of Lake in the Hills entered into a certain contract dated March 23, 2021 with American Ramp Company for the Sunset Skate Park.

WHEREAS, a delay in receiving the required material occurred making it impossible for the contractor to meet the completion deadline;

WHEREAS, the delay in material arrival resulted in the contractor starting a project elsewhere preventing his starting construction within the Village of Lake in the Hills until July 12, 2021

WHEREAS, the Board of Trustees of the Village of Lake in the Hills has determined that the circumstances said to necessitate the foregoing change was not reasonably foreseeable at the time the contract with American Ramp Company was signed, the change is germane to the original contract as signed and the change order is in the best interest of the Village of Lake in the Hills as authorized by law;

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees of the Village of Lake in the Hills, McHenry County, State of Illinois.

SECTION 1: The foregoing recitals are hereby incorporated herein as if fully set forth as findings of the President and Board of Trustees.

SECTION 2: The change order set forth on Exhibit A for extension of contractual completion time is attached hereto and by this reference incorporated herein and made a part hereof, shall be and they hereby are approved.

SECTION 3: This Resolution shall constitute the written determination required by Section 33E-9 of Article 33E of the Criminal Code of 1961 and shall be in full force and effect from and after its adoption.

Passed this 12th day of August, 2021 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 12TH DAY OF AUGUST, 2021

\_\_\_\_\_  
Village President, Ray Bogdanowski

(SEAL)

ATTEST: \_\_\_\_\_  
Village Clerk, Shannon DuBeau

Published:

# CHANGE ORDER

No. One

Project: Sunset Park Skate Park Date Prepared: August 4, 2021

Owner: Village of Lake in the Hills  
9010 Haligus Road  
Lake in the Hills, Illinois 60156

Contractor: American Ramp Company  
601 S. McKinley Avenue  
Joplin, MO 64801

Project Manager: Scott Parchutz

Contract: Sunset Skate Park Removal and Replacement Project

Project No: \_\_\_\_\_

You are directed to make the following changes in the Contract Documents.

Description:  
 Increase the contract completion time by 43 days.

CHANGE IN CONTRACT PRICE:	CHANGE IN CONTRACT TIME:
Original Contract Price <u>No change</u>	Original Contract Time <u>7/1/2021</u> days or date
Previous Change Orders NO. 1 <u>None</u>	Net change from previous Change Orders <u>No change</u> days
Contract Price prior to this Change Order <u>\$230,000.00</u>	Contract Time Prior to this Change Order <u>No change</u> days or date
Net <b>Increase</b> / decrease of this Change Order <u>\$0.00</u>	Net <b>Increase</b> or decrease of this Change Order <u>43 additional days.</u> days
Contract Price with all approved Change Orders <u>\$ 230,000.00</u>	Contract Time with all approved Change Orders <u>August 13, 2021</u> days or date

RECOMMENDED	AGREED	APPROVED
Date: _____	Date: _____	Date: _____
By: Dept. of Public Works Public Properties Superintendent	By: American Ramp Company Contractor	By: Village of Lake in the Hills Owner



# REQUEST FOR BOARD ACTION

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**MEETING DATE:** August 10, 2021

**DEPARTMENT:** Public Works

**SUBJECT:** Airport Ground Lease for Hangar PAP-38

## EXECUTIVE SUMMARY

---

Staff seeks approval to enter into a twenty-year ground lease for hangar PAP-38 with Chris Thoman of CST & Sons LLC

The Lake in the Hills Airport Rules and Regulations require airport tenants to enter into applicable leases, licenses, or storage agreements for Village owned hangers. Chris Thoman representing CST & Sons LLC is requesting a new ground lease on hangar PAP-38. This lease is for the period of August 13, 2021 to August 12, 2041. The lease includes an option to renew for four additional five-year terms.

Mr. Thoman has signed the appropriate lease form and already has provided acceptable proof of insurance. A background check was completed and no issues were found by the Lake in the Hills Police Department.

## FINANCIAL IMPACT

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The Airport Fund will receive \$13,029.36 annually from the ground lease, subject to annual increases approved by ordinance.

## ATTACHMENTS

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1. Proposed Ordinance
2. PAP-38 Ground Lease

## RECOMMENDED MOTION

---

Motion to approve the Ordinance and authorize the Village President and Village Clerk to sign the ground lease for Hangar PAP-38 with Chris Thoman of CST & Sons LLC.

VILLAGE OF LAKE IN THE HILLS

ORDINANCE NO. 2021-\_\_\_\_\_

**An Ordinance Authorizing the Approval of a Ground Lease  
between the Village of Lake in the Hills and CST & Sons LLC  
for PAP-38**

WHEREAS, the Village of Lake in the Hills, McHenry County, Illinois, is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village's home rule powers and functions as granted in the Constitution of the State of Illinois.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Lake in the Hills, McHenry County, Illinois, as follows:

SECTION 1: That the President is hereby authorized to enter into a Ground Lease between the Village and CST & Sons LLC for PAP-38 at the Lake in the Hills Airport:

SECTION 2: 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 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4: 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.



Passed this 12th DAY OF AUGUST, 2021 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 12th DAY OF AUGUST, 2021

\_\_\_\_\_  
Village President, Ray Bogdanowski

(SEAL)

ATTEST: \_\_\_\_\_  
Village Clerk, Shannon DuBeau

Published: \_\_\_\_\_

VILLAGE OF LAKE IN THE HILLS  
LAKE IN THE HILLS AIRPORT GROUND LEASE

THIS GROUND LEASE (this “Lease”) made and entered into at Lake in the Hills, Illinois, this 12<sup>th</sup> day of August, 2021 by and between the Village of Lake in the Hills, an Illinois municipal corporation (the “Lessor”) and CST & Sons, LLC (the “Lessee”).

WITNESSETH:

WHEREAS, the Lessor does hereby let and lease to the Lessee the parcel of property depicted on Exhibit A attached to and by this reference incorporated into this Lease at the Lake in the Hills Airport (the “Airport”), which parcel of property is commonly known as:

**[PAP-38 ]**

Lot dimensions: Hangar: 104’ by 84’ and well site: 10’ x 10’ containing a total of approximately 8,836 square feet (collectively, the “Premises”).

ARTICLE 1: TERM; RENEWAL

1.01 This Lease shall commence on August 13, 2021 and shall continue for a period of 20 years and shall terminate August 12, 2041 (the “Initial Term”) unless sooner terminated as hereinafter provided.

1.02 The Lessee shall have the option to renew this Lease for four (4) additional terms of five years (the “Extension Terms”), which Extension Terms shall commence on the day immediately following the last day of the then existing Term, provided (i) that the Lessee notifies the Lessor in writing (the “Extension Notice”) at least 60 days prior to the expiration of the existing Term that the Lessee intends to renew this Lease for one of the Extension Terms; (ii) that the Lessee is not in default of any obligation or duty imposed upon it by this Lease; and (iii) that the Lessor may increase, modify, or otherwise alter, for the Extension Terms, the amount of rent paid by the Lessee. The Lessor shall notify the Lessee in writing of any rent increase (the “Rental Increase Notice”) within 30 days of receipt of the Extension Notice. In the event the Lessee determines that the rental increase is unreasonable, the Lessee shall have 10 days after Lessor’s delivery of the Rental Increase Notice to elect to terminate this Lease. In the event the Lessee elects to terminate this Lease pursuant to the terms of this Article 1.02, then the Lessee shall provide the Lessor with written notice (the “Termination Notice”) of its intention to do so no later than 10 days after the Lessor’s delivery of the Rental Increase Notice. In the event the Lessor does not receive the Termination Notice within the 10-day period of time, it shall be conclusively presumed that the Lessee has elected not to terminate this Lease

ARTICLE 2: USE

2.01 The Premises shall be used, occupied, and maintained by the Lessee for the sole purpose of supporting an Aircraft Hangar/Storage facility (the “Hangar”) for aircraft owned or leased by the Lessee and for lease for storage of other aircraft, and uses reasonably incidental thereto, and for no other purpose (the “Approved Uses”).

However, notwithstanding the above, that portion of the Premises designated as "well site" in Exhibit A shall be used only for a water well for the washing of aircraft owned or leased by Lessee and uses reasonably incidental thereto, and for no other purpose. Lessee shall be solely responsible at its cost for constructing such water well which shall be constructed in accordance with all applicable federal, state and local laws, codes, ordinances and regulations. Lessee shall provide copies of permits and approvals relating to the construction and completion of such water well to Lessor. In the event any lien or claim for lien upon Lessor's title or the Premises results from such construction or capping or removal, and Lessee fails to remove said lien or dismiss such claim for lien within 10 days after Lessor's notice to do so, Lessor may, but need not, remove the lien or satisfy such claim for lien by paying the full amount thereof without any investigation or contest of the validity or amount thereof and Lessee shall pay Lessor promptly upon demand, and as additional Rent, the amount paid out by Lessor, including Lessor's costs, expenses and counsel fees.

Under no circumstance shall Lessor be obligated to compensate or remunerate Lessee in any way in connection with Lessee's constructing a water well on the Premises.

Lessee shall be solely responsible for any utility bills (i.e., electricity) associated with the water well. At Lessor's request, at any time commencing 45 days prior to the expiration of the Term of this Lease, and at Lessee's expense, whether or not such request is made after the termination of the Lease, Lessee shall cap or remove the well, as requested by the Village, in accordance with all applicable laws, including state statutes, regulations and local ordinances and provide written evidence of same to Lessor. Such provisions shall survive the termination of this Lease.

Lessee agrees that Lessor makes no representations or warranties regarding the suitability of that portion of the Premises designated as "well site" for a water well and accepts same "as is".

If Lessee shall default with respect to any of his obligations herein, any amount paid out by Lessor, including Lessor's costs, expenses and counsel fees, as a result of such default shall be additional Rent due and payable to the Village by Lessee.

Lessee shall indemnify and hold harmless the Village from any damages, claims, suits, judgments or liens arising from the construction, installation or maintenance of, or failure to properly cap or remove, the water well.

Lessee may install an approved septic system starting on the north side of the hangar extending north approximately 35 feet then angling to the east parallel with the existing storm sewer toward the taxilane to a point five feet from the existing north/south storm sewer line, then south parallel with and five feet away from the storm sewer to a point five feet from the existing taxilane pavement, then angling back west toward PAP-38 as shown in Exhibit A.

This area shall be designated as the "septic site" as shown in Exhibit A and shall be used only for an underground septic system to support this hangar and uses reasonably incidental thereto, and for no other purpose.

Lessor agrees to allow Lessee to access the septic site to perform maintenance or repairs only if vehicular or pedestrian traffic remain clear of the taxiway on the north side of the septic site at all times. Lessee shall provide the Village with 24 hours notice prior to any work involving equipment within the Airport perimeter fence.

Lessee shall at its cost be solely responsible for construction, maintenance, repair, replacement, and removal of such septic system. Septic system shall be constructed in accordance with all applicable federal, state, and local laws, codes, ordinances, and regulations. Lessee shall provide copies of permits and approvals relating to the construction and completion of such septic system to Lessor. In the event any lien or claim for lien upon Lessor's title or the Premises results from such construction, maintenance, repair or removal, and Lessee fails to remove said lien or dismiss such claim for lien within 10 days after Lessor's notice to do so, Lessor may, but need not, remove the lien or satisfy such claim for lien by paying the full amount thereof without any investigation or contest of the validity or amount thereof and Lessee shall pay Lessor promptly upon demand, and as additional Rent, the amount paid out by Lessor, including Lessor's costs, expenses and counsel fees.

Except for additional rent due to a lien or claim for lien, no additional monthly rent shall be accrued for the space allotted for the septic system.

Under no circumstance shall Lessor be obligated to compensate or remunerate Lessee in any way in connection with Lessee's constructing a septic system on the Premises. Lessee shall be solely responsible for any utility bills associated with the septic.

At Lessor's request, at any time commencing 45 days prior to the expiration of the Term of this Lease, and at Lessee's expense, whether or not such request is made after the termination of the Lease, Lessee shall remove the septic system in accordance with all applicable laws, including state statutes, regulations and local ordinances and provide written evidence of same to Lessor. Such provisions shall survive the termination of this Lease.

If Lessee shall default with respect to any of his obligations herein, any amount paid by Lessor, including Lessor's costs, expenses and counsel fees, as a result of such default shall be additional Rent due and payable to the Village by Lessee.

Lessee shall indemnify and hold harmless the Village from any damages, claims, suits, judgments or liens arising from the construction, installation or maintenance of, or failure to properly remove the septic system.

2.02 The Lessee shall not conduct any business activities or aviation-related activities other than the Approved Uses, unless the Lessee shall also have a separate and valid commercial activity agreement with the Lessor. The Lessee shall comply with (a) all applicable governmental laws, ordinances, codes, rules, and regulations and applicable orders and directions of public officers thereunder and (b) all requirements of carriers of insurance on the Premises respecting all matters of occupancy, condition, maintenance, and use of the Premises, whether any of the foregoing shall be directed to the Lessee or the Lessor, including but not limited to any environmental laws or regulations by any local, state, or federal government and the Airport rules and regulations.

2.03 The Lessee agrees to occupy the entire Premises and to properly maintain and operate the Approved Uses at all times during the term(s) of this Lease.

2.04 The Lessee shall be entitled to the non-exclusive use, in common with other users, of the public facilities of the Airport solely for the purpose of ingress and egress to and from the Premises. The Lessee shall not use the public areas for the transient or permanent tie-down of aircraft or for any purposes other than as expressly permitted by this Lease.

2.05 The Lessee shall, at the Lessee's own expense, comply with all present and hereinafter enacted environmental laws, including but not limited to the Comprehensive Environmental Response, Compensation and Liability Act, 42 U.S.C. Section 9601 et seq., the Resource Conservation and Recovery Act, 42 U.S.C. Section 6941 et seq., Toxic Substances Control Act, 15 U.S.C. Section 2601 et seq., Safe Drinking Water Act, 42 U.S.C. Section 300 et seq., the Clean Air Act, 42 U.S.C. Section 7401 et seq., and the regulations promulgated thereunder and any other laws, regulations, and ordinances (whether enacted by the local, state or federal governments) now in effect or hereinafter enacted, that deal with the regulation or protection of the environment and hazardous materials. The Lessee shall not cause or permit any hazardous material to be used, generated, manufactured, produced, or stored on, under, or about the Premises. The Lessee shall not keep on the Premises any inflammables, such as gasoline, kerosene, naphtha, or benzene or other volatile chemicals or compounds or explosives or any other articles of intrinsically dangerous nature, except such materials and equipment commonly related to airplane maintenance. The Lessee further shall indemnify, defend, and hold harmless the Lessor from and against any and all liability, loss, damage, expense, penalties, and legal and investigation fees or costs arising from or related to any claim or action for injury or liability brought by any person, entity or governmental body, alleging or arising in connection with contamination of, or adverse effects on, the environment of the Premises.

### ARTICLE 3: RENT

3.01 The amount of rent payable to the Lessor (the "Rent") is set forth on the rent schedule ("the Rent Schedule") attached to and by this reference incorporated into this Lease as Exhibit B. The Rent, during the Initial Term and any Extension Term, is subject to an increased adjustment by the Lessor on an annual basis based on the following: the current year's Rent multiplied by the Consumer Price Index (the "CPI") for the Chicago Metropolitan Area, up to a maximum 10 percent increase over the current year's rent. The CPI to be used for the preceding calculation shall be the CPI available for the most recent 12 month period. The first month's Rent shall be paid upon the execution of this Lease and each month's Rent thereafter shall be paid in advance on or before the first day of a calendar month during the term(s) of this Lease. Rent for any partial calendar month within the Term shall be prorated on a per diem basis assuming a 30-day month.

3.02 The Lessee agrees to pay all rent and any other amount owing hereunder on the due date thereof to the Lessor at its office at 600 Harvest Gate, Lake in the Hills, Illinois, or to such other person at such other address as the Lessor may from time to time designate in writing. The Lessee hereby agrees that the Lessee's obligation to pay such rent and other amounts shall be absolute and unconditional under all circumstances, including, without limitation, the following circumstances: (a) any setoff counter-claim, recoupment, defense, or other right that the Lessee may have against the Lessor, or anyone else for any reason whatsoever; (b) any

damage to, loss, or destruction of the Premises or any interruption or cessation in the use or possession thereof by the Lessee for any reason whatsoever, unless directly caused by the negligent acts of Lessor; (c) any insolvency, bankruptcy, reorganization, or similar proceedings by or against the Lessee; and (d) any other event or circumstance whatsoever, whether or not similar to any of the foregoing. To the extent permitted by applicable law, the Lessee hereby waives any and all rights which it may now have or which at any time hereafter may be conferred upon it, by statutes or otherwise, to terminate, cancel, quit, or surrender any portion of the Premises hereunder except in accordance with the expressed terms hereof. If for any reason whatsoever this Lease shall be terminated in whole or in part by operation of law or otherwise, except in the event of termination without the fault of Lessee or termination upon change of ownership in accordance with Article 12 of this Lease, or dis-affirmed by the Lessee, all remaining rent payments which would have become due and payable in accordance with the terms hereof had this Lease not been terminated or dis-affirmed in whole or part shall become immediately due and payable. Each rent or any other payment made by the Lessee hereunder shall be final and the Lessee shall not seek to recover all or any part of such payment from the Lessor for any reason whatsoever.

3.03 The Lessee shall also pay the Lessor a late charge upon payment of Rent after the tenth day of any month in the amount of 10 percent of the amount owed. Payment of a late charge to the Lessor shall in no way interfere with the Lessee's obligation to pay Rent on the first day of each month. Payment by the Lessee of a late charge shall not be deemed a waiver of or otherwise limit the Lessor's remedies under this Lease.

#### ARTICLE 4: LESSOR'S RIGHT TO RELOCATE LESSEE

4.01 The Lessee acknowledges that at any time during the term(s) of this Lease, the Lessor may need to relocate the Hangar to another comparable location at the Airport (the "Relocation"). In the event the Lessor determines in its sole and absolute discretion that Relocation is necessary, the Lessor shall provide the Lessee with 30 days written notice of its intention to relocate. The Hangar will be relocated to another location that, in the sole discretion of the Lessor, is comparable to the Premises, and the definition of the "Premises" shall be revised to reflect the new location. The Lessor will pay for the following costs of Relocation: preparation of the new site, relocation of the Hangar and hangar facilities onto the new site, and all costs directly associated with the Relocation. The Lessee shall have no right to reimbursement from the Lessor for any costs incurred by the Lessee as a result of the Relocation, except for reasonable costs incurred by the Lessee as a result of Lessor's Relocation actions.

4.02 The Lessor shall not be responsible for theft, loss, injury, damage, or destruction of the Hangar or of any aircraft or other property on the Premises during the Relocation. The Lessee hereby releases and discharges the Lessor for the loss of or damage to the Lessee's property, except for that loss or damage arising out of the Lessor's negligence during the Relocation.

#### ARTICLE 5: CONDITION OF PREMISES; REPAIR

5.01 The Lessee has inspected the Premises and accepts the Premises in an "as is" condition. The Lessee acknowledges that its decision to enter into this Lease was based on its own knowledge and analysis and not on any representations by the Lessor, and the Lessee

waives any and all claims against the Lessor in connections therewith. At the termination of this Lease, the Lessee shall, at Lessee's sole expense, remove the Hangar, including any foundation, and restore the Premises to a natural state, including grading and grass seeding.

5.02 The Lessee agrees, at its sole cost and expense, to repair, replace, or reconstruct the Hangar and other improvements located on the Premises that are damaged or destroyed by fire or other casualty, or required to be repaired, removed, or reconstructed by any governmental or military authority. Such repair, replacement, or reconstruction shall be accomplished within such time as may be reasonable under the circumstances after allowing for delays caused by strikes, lockouts, acts of God, fire, extraordinary weather conditions, or any other cause or casualty beyond the reasonable control of Lessee (the "Reasonable Time Period"). The design and specifications of such repair, replacement, or reconstruction shall be as determined by Lessee; but such work shall restore the Premises to not less than its condition prior to said need for repair.

## ARTICLE 6: COVENANTS

The Lessee agrees to all of the following covenants:

(a) The Lessee shall not commit, suffer, or allow to be committed or suffered any acts of waste on the Premises, or commit or permit to be committed any acts which will in any way constitute a public or private nuisance or an unlawful or immoral act. Only the Approved Uses shall be permitted.

(b) All maintenance to the Hangar or other improvements or any repair of damages to same from any cause shall be the sole responsibility of the Lessee and shall be made in the Reasonable Time Period and at the Lessee's expense (unless such damage was caused by the negligence of the Lessor) and same shall comply fully with all applicable laws, ordinances, and other government regulations, codes, and directions.

(c) The Lessee shall not erect or install any sign of any kind anywhere in or on the Premises without the specific prior written consent of the Lessor. In addition, the Lessee shall not use any broadcast or audio advertising media, including but not limited to loudspeakers, phonographs, or radio or television broadcasts, in a manner visible or audible outside of the Hangar.

(d) The Lessee shall not install any exterior lighting or plumbing fixtures, shades, or awnings or exterior decoration or paintings or build any enclosures or audio or television antenna, loudspeakers, sound amplifiers, or similar devices on the roof or exterior walls of the Hangar without the specific prior written consent of the Lessor.

(e) The Lessee shall store all trash and garbage within proper receptacles in the Hangar and around the Premises. The Lessee shall not burn any trash or garbage of any kind in or about the Premises.

## ARTICLE 7: REMEDIES



7.01 In the event of any default by the Lessee with respect to any of the events below and the Lessee's failure to cure said default within 10 days after written notice thereof by the Lessor, the Lessor may immediately terminate this Lease and/or the Lessee's right to possession hereunder, and pursue any other remedy available to the Lessor at law or in equity and including, without limitation, those remedies set forth at the end of this Article, upon the happening of one or more of the following events:

- (a) The making by the Lessee of an assignment for the benefit of the creditors without the written consent of the Village Administrator;
- (b) The operation or supervision of any business other than the Approved Uses conducted in the Premises by the Lessee, or by anyone else, except only with the prior specific written consent of the Lessor;
- (c) The levying of a writ of execution or attachment on or against the property of the Lessee;
- (d) The doing, or permitting to be done, by the Lessee of any act which creates a mechanic's lien or claim therefor against the Premises or any part of the Premises;
- (e) The failure of the Lessee to pay any Rent when due, which shall not be in lieu of any statutorily prescribed remedies for the Lessee's failure to pay Rent but shall be in addition thereto;
- (f) If the estate created hereby shall be taken in execution or by other process of law or if proceedings are instituted in a court of competent jurisdiction for the reorganization, liquidation, or voluntary or involuntary dissolution of the Lessee or composition for the benefit of a creditor or for its adjudication as a bankrupt or insolvent, or for the appointment of a receiver of the property of the Lessee for any purpose and said proceedings are not dismissed, and any receiver, trustee, or liquidator appointed therein discharged within 10 days after the institution of said proceedings;
- (g) Any failure of the Lessee to keep and perform fully any of its covenants under this Lease;
- (h) The abandonment of the Premises by the Lessee or the discontinuance by the Lessee of the proper maintenance and operation of the Approved Uses for a consecutive period of three months or longer;
- (i) If the Lessee is a corporation, the sale of any of the Lessee's stock pledged for any purpose, whether by virtue of execution or otherwise.

7.02 Upon the event of a default hereunder by the Lessee, the Lessor shall have the right to cure the default, at its option, by any means reasonably necessary. In such event, the Lessee shall reimburse the Lessor for all reasonable costs incurred by the Lessor in curing the default.



7.03 Upon the termination of this Lease or the Lessee's right to possession hereunder, the Lessor may re-enter the Premises using such force as may be necessary and in compliance with applicable law and remove all persons, fixtures, property and equipment therefrom and the Lessor shall not be liable for damages or otherwise by reason of re-entry or termination of possession of the term of this Lease. Upon termination of either the Lessee's right to possession or the Lease, the Lessor shall be entitled to recover immediately an amount equal to the minimum rent for the balance of the term less the amount of any minimum rental obtained from any other lessee for the balance of the term in the event the said premises are re-let. Upon and after entry into possession without termination of this Lease, the Lessor may, but need not, re-let the Premises or any part thereof for the account of the Lessee for such rent, for such time and upon such terms as the Lessor in its sole discretion shall determine.

#### ARTICLE 8: TAXES

The Premises is owned by the Lessor and is currently tax-exempt. Therefore, in the event the Lessee's operations on the Premises cause a tax to be assessed against, levied upon, or otherwise become payable in respect of the Premises or the use thereof, the Lessee shall pay all taxes relating to the Premises or to this Lease, including all real estate taxes, personal property taxes and leasehold taxes, unforeseen as well as foreseen, that are assessed against, levied upon and become payable in respect of the Premises or the use thereof during the term(s) of this Lease; provided, however, that in the event such taxes are imposed as a result of Lessor's actions under the Lease, then the Lessee shall not be responsible for said taxes. Such payment of taxes by Lessee shall be in addition to the payment of Rent.

#### ARTICLE 9: INSURANCE; INDEMNIFICATION

9.01 The Lessee shall, at Lessee's sole cost, during the entire term hereof, keep in full force and effect a policy of airport liability and property damage insurance with respect to the Hangar and the Premises or any other occupant of the Premises, in which the limits of public liability shall not be less than \$1 million per occurrence. The policy shall name the Lessor and its trustees, officers, employees, attorneys, legal representatives, and agents as additional insureds and shall contain a clause that the insurer will not cancel or change the insurance without first giving the Lessor 30 days prior written notice thereof. The insurance shall be with companies licensed to do business in the State of Illinois. The insurance shall be in a form reasonably acceptable to the Lessor and a copy of the policy and a certificate of insurance shall be delivered to the Lessor prior to the commencement hereof. In the event the Lessee shall fail to procure said insurance, the Lessor may, but shall be under no obligation to, procure such insurance in which event the Lessee agrees to pay to the Lessor, as additional rent, the amount of premium therefore on the first day of the month following the month in which the Lessor notifies the Lessee of the amount of premium due hereunder.

9.02 The Lessee, shall at the Lessee's sole cost, during the entire term hereof, keep in full force and effect a policy for fire and property damage insurance with respect to the Hangar and all other Lessee property contained on the Premises, as well as all other improvements on the Premises, in such amount and form, and with such companies, as the Lessor may reasonably determine. The Lessee shall, from time to time, as requested by the Lessor, deliver certificates of such insurance verifying coverage to the Lessor.

9.03 Except only to the extent otherwise prohibited by law, the Lessee covenants and agrees to indemnify and hold harmless the Lessor and its trustees, officers, employees, attorneys, legal representatives, and agents from any and all losses, claims, damages, costs, or expenses, including attorney's fees, the Lessor may be required to pay as a result of acts and/or omissions of the Lessee or any agent of the Lessee.

#### ARTICLE 10: SUBORDINATION

The parties to this Lease desire that this Lease be prior in lien to all other documents, including mortgages, trust deeds, or other encumbrances that may hereafter be recorded against the Premises. Lessee agrees to subordinate any mortgage, trust deed, or other encumbrance that may hereafter be placed on the Premises, or to any advances to be made thereunder and to interest thereon and all renewals, replacements, and extensions thereof, to this Lease; and the Lessee agrees to execute any instrument or instruments which the Lessor may reasonably, at the Lessor's sole and complete discretion, require to effect such subordination, provided that the Lessee and its successors and assigns shall have the right to freely, peaceably, and quietly occupy and enjoy the full possession and use of said premises as long as the Lessee shall not be in default under this Lease, and subject to the Lessor's right to relocate the Lessee as set forth in Article 4 of this Lease. In the event of any mortgagee, trustee, or encumbrancer notifying the Lessee to that effect, this Lease shall be deemed prior in lien to said mortgage, trust deed, or encumbrance whether or not this Lease is dated prior to or subsequent to the date of said mortgage, trust deed, or encumbrance.

#### ARTICLE 11: IMPROVEMENTS; MECHANIC'S LIENS

11.01 This Section 11.01 is applicable if the Premises are unimproved as of the effective date of this Lease. During the term of this Lease, unless this Lease shall be sooner terminated in accordance with the terms hereof; the Lessee, at its sole cost and expense, shall construct or place on the Premises the Hangar and related improvements in accordance with the Lessee's plans and specifications as set forth in Exhibit C attached to and by this reference incorporated into this Lease (the "Plans"). The Hangar and related improvements shall be constructed in accordance with all applicable federal, state and local laws, codes, ordinances, and regulations and shall have the specific prior written approval of the Lessor.

11.02 All repairs, construction, modifications, alterations, or changes made by the Lessee to the Premises shall be done or contracted for only with the Lessor's specific prior written consent, which the Lessor may withhold for any reason that the Lessor deems sufficient. Notwithstanding anything to the contrary herein, no alterations to the Premises are allowed during the term(s) of this Lease except for the construction of the Hangar and related improvements. Any of the foregoing that the Lessee undertakes shall be done at the Lessee's sole cost and expense and none of the foregoing nor any other act shall be allowed or suffered which may create any mechanic's lien or claim for lien against the Premises. In the event any lien or claim for lien upon the Lessor's title or the Premises results from any act or neglect of the Lessee, and the Lessee fails to remove said lien or dismiss such claim for lien within 10 days after the Lessors notice to do so, the Lessor may, but need not, remove the lien or satisfy such claim for lien by paying the full amount thereof without any investigation or contest of the validity or amount thereof and the Lessee shall pay the Lessor promptly upon demand, and as

additional rent, the amount paid out by the Lessor, including the Lessor's costs, expenses, and counsel fees.

#### ARTICLE 12: ASSIGNMENT OR SUBLETTING

The Lessee agrees not to assign, encumber, or in any manner transfer this Lease or any interest hereunder and not to permit the use or occupancy of the Premises, whether by license, concession or otherwise by anyone other than the Lessee without the specific prior written consent of the Lessor (which consent shall not be unreasonably denied); provided, however, that the Lessee may sublet the Premises for the remainder of the then existing Term with the prior written consent of the Lessor (which consent shall not be unreasonably denied) and subject to the terms of this Lease. Any assignment or subletting permitted hereunder shall not be deemed to relieve the Lessee of its obligation to pay rental and perform its other obligations hereunder. Consent by the Lessor of one assignment or one subletting or one use or occupancy of the Premises shall not constitute a waiver of the Lessor's rights under this Article as to any subsequent assignments, subletting, or use or occupancy. If the Lessee is a corporation or partnership, and if, during the term of this Lease, the ownership of the shares of stock or partnership interests which constitute control of the Lessee changes by reason of sale, gift, death, or otherwise, the Lessee shall provide the Lessor with written notice and confirmation of the new owner's intent to be bound by the terms of the Lease, along with evidence of the new owner's financial information to insure that the new owner is capable of performing the obligations set forth in this Lease. In the event the Lessor concludes, in the exercise of its discretion, that the new owner is not capable of performing the obligations under this Lease, the Lessor may at any time thereafter terminate this Lease by giving the Lessee written notice of such termination at least 30 days prior to the date of termination stated in the notice. Receipt of rent after such change of control shall not affect the Lessor's rights under the preceding sentence.

#### ARTICLE 13: UNTENANTABILITY

In the event that the Hangar shall be destroyed or so damaged by fire, explosion, windstorm, or other casualty as to be untenable, the Lessee shall within the Reasonable Time Period secure the Hangar and restore it in accordance with the terms of this Lease and rents due hereunder shall not be abated.

#### ARTICLE 14: SURRENDER OF PREMISES; HOLD OVER

14.01 At the expiration of the tenancy hereby created, whether by lapse of time or otherwise, or upon termination of the Lessee's right of possession, the Lessee shall immediately surrender possession of the Premises to the Lessor in good condition, and shall remove the Hangar and all other improvements therefrom. If such possession is not immediately surrendered, then the Lessor may immediately enter the Premises and possess itself thereof and remove all persons and effects therefrom using such force as may be necessary and in compliance with applicable law. If the Lessee shall fail or refuse to remove all of the Lessee's property from the Premises, then the Lessee shall be conclusively presumed to have abandoned the same, and title thereto shall thereupon pass to the Lessor without any cost either by set-off; credit, allowance, or otherwise, and the Lessor may at its option accept title to such property, or at the Lessee's expense may remove the same or any part thereof in any manner that the Lessor shall choose and store the same without incurring liability to the Lessee or any other person.

14.02 It is agreed and understood that any holding over by the Lessee of the Premises at the expiration or cancellation of this Lease shall operate and be construed as a tenancy from month to month at a rental of three times the current monthly rental, and in addition the Lessee shall be liable to the Lessor for all loss or damage on account of any holding over against the Lessor's will after the expiration or cancellation of this Lease, whether such loss or damage may be contemplated at this time or not. No receipt or acceptance of money by the Lessor from the Lessee after the expiration or cancellation of this Lease or after the service of any notice, after the commencement of any suit, or after any judgment for possession of the Premises, shall reinstate, continue or extend the terms of this Lease, or affect any such notice, demand, or suit or imply consent for any action for which the Lessor's consent is required or operate as a waiver of any right of the Lessor to retake and resume possession of the Premises and remove the structures.

#### ARTICLE 15: COSTS AND FEES

The Lessee shall pay upon demand all of the Lessor's costs, charges, and expenses, including fees of attorneys, agents, and others retained by the Lessor, incurred in enforcing any of the obligations of Lessee under this Lease or in any litigation, negotiation, or transaction in which the Lessor shall, without the Lessor's fault, become involved through or on account of this Lease. In the event it becomes necessary for either party hereto to file suit to enforce this Lease or any provision contained herein, the prevailing party in such suit shall be entitled to recover, in addition to all other remedies or damages provided for in this Lease, reasonable attorneys' fees and costs incurred in such suit at trial or on appeal or in connection with any bankruptcy or similar proceeding.

#### ARTICLE 16: SUCCESSORS AND ASSIGNS

The terms, covenants, and conditions hereof shall be binding upon, apply and inure to the benefit of the heirs, executors, administrators, successors in interest and assigns of; the parties hereto. No rights, however, shall inure to the benefit of any assignee or sub-lessee of the Lessee except only if such assignment or sublease has been specifically consented to by the Lessor in writing as provided herein.

#### ARTICLE 17: REMEDIES CUMULATIVE

All rights and remedies of the Lessor enumerated in this Lease shall be cumulative and none shall exclude any other right or remedy allowed by law, and said rights and remedies may be exercised and enforced concurrently as often as occasion therefor arises.

#### ARTICLE 18: ESTOPPEL CERTIFICATE

Each party agrees at any time and from time to time, upon not less than 20 days prior written request by the other, to execute, acknowledge, and deliver to the other a statement in writing certifying that this Lease is unmodified and in full force and effect and the date to which the rental and other charges have been paid in advance, if any, it being intended that any such statement delivered pursuant to this paragraph may be relied upon by any prospective purchaser

of this leasehold or the fee, or mortgagee or assignee of any mortgage upon this leasehold or the fee of the Premises.

#### ARTICLE 19: MISCELLANEOUS

19.01 The necessary grammatical changes required to make the provisions of this Lease apply to the past, present, and future and in the plural sense where appropriate and to corporations, associations, partnerships, or individuals, male or female, shall in all instances be assumed as though in each case fully expressed.

19.02 The laws of, but not the conflicts of law rules of, the State of Illinois shall govern the validity, performance, and enforcement of this Lease.

19.03 The headings of several articles contained herein are for convenience only and do not limit or construe the contents of the articles.

19.04 All of the covenants of this Lease are independent covenants. If any provisions of this Lease are found by a court of competent jurisdiction to be illegal, invalid, or unenforceable, then the remainder of the Lease will not be affected, and in lieu of each provision which is found to be illegal, invalid, or unenforceable, there will be added as part of this Lease a provision as similar to such illegal, invalid, or unenforceable provision as may be possible and be legal, valid, and enforceable.

19.05 Notwithstanding any other provision to the contrary herein, either Lessor or Lessee may, in its sole discretion, terminate this Lease upon 30 day's written notice to the other party.

#### ARTICLE 20: NOTICES

Any notices required or desired to be given under this Lease shall be in writing and (i) personally served, (ii) given by certified mail, return receipt requested, (iii) given by overnight express delivery, or (iv) given by facsimile transmission, with any such facsimile transmission confirmed by next business day overnight express delivery. Any notice shall be addressed to the party to receive it at the following address or at such other address as the party may from time to time direct in writing:

**To the Lessee at:**

CST & Sons, LLC  
21 Olympic Drive  
South Barrington, IL 60010

**and to the Lessor at:**

Village of Lake in the Hills  
600 Harvest Gate  
Lake in the Hills, Illinois 60156  
Attention: Village Administrator

**with a copy to:**

Village of Lake in the Hills  
600 Harvest Gate  
Lake in the Hills, Illinois 60156  
Attention: Airport Manager

Express Delivery notices shall be deemed to be given upon receipt. Postal notices shall be deemed to be given three days after deposit with the United States Postal Service. Facsimile notices shall be deemed given upon the date of transmission, provided that compliance is made with the remaining obligations of this Article 20.

**ARTICLE 21: PRIOR AGREEMENTS**

This Lease replaces and supersedes any other written or oral prior agreement, arrangement, or understanding between the Lessee and the Lessor or its agent, which prior agreement(s) shall be considered null and void and of no further effect whatsoever as of the date hereof.

IN WITNESS WHEREOF, the parties have executed this Lease as of the day and year above.

[LESSOR] VILLAGE OF LAKE IN THE HILLS

By: \_\_\_\_\_  
**Village President**

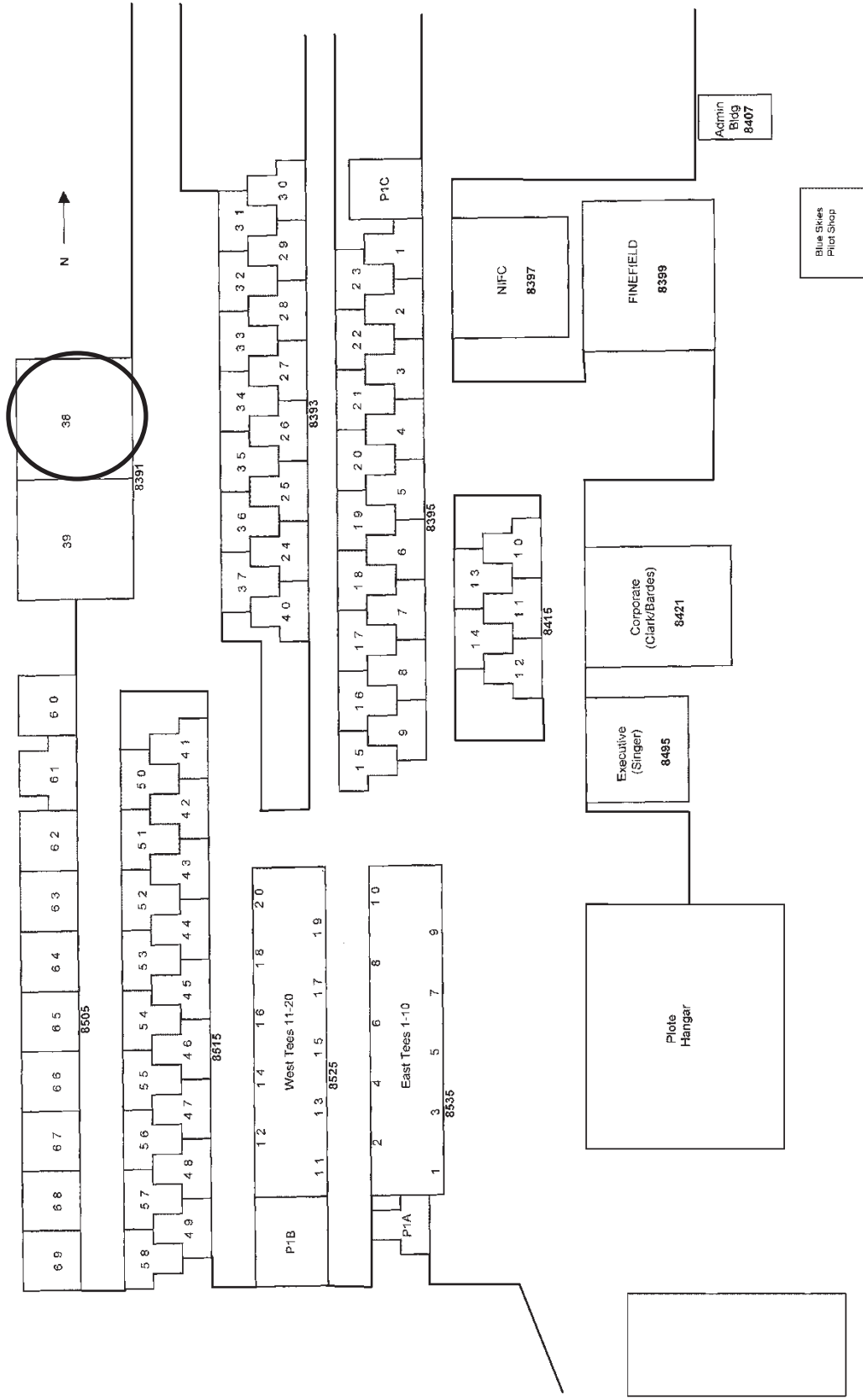
Attest: \_\_\_\_\_  
**Village Clerk**

[LESSEE] CST & Sons, LLC

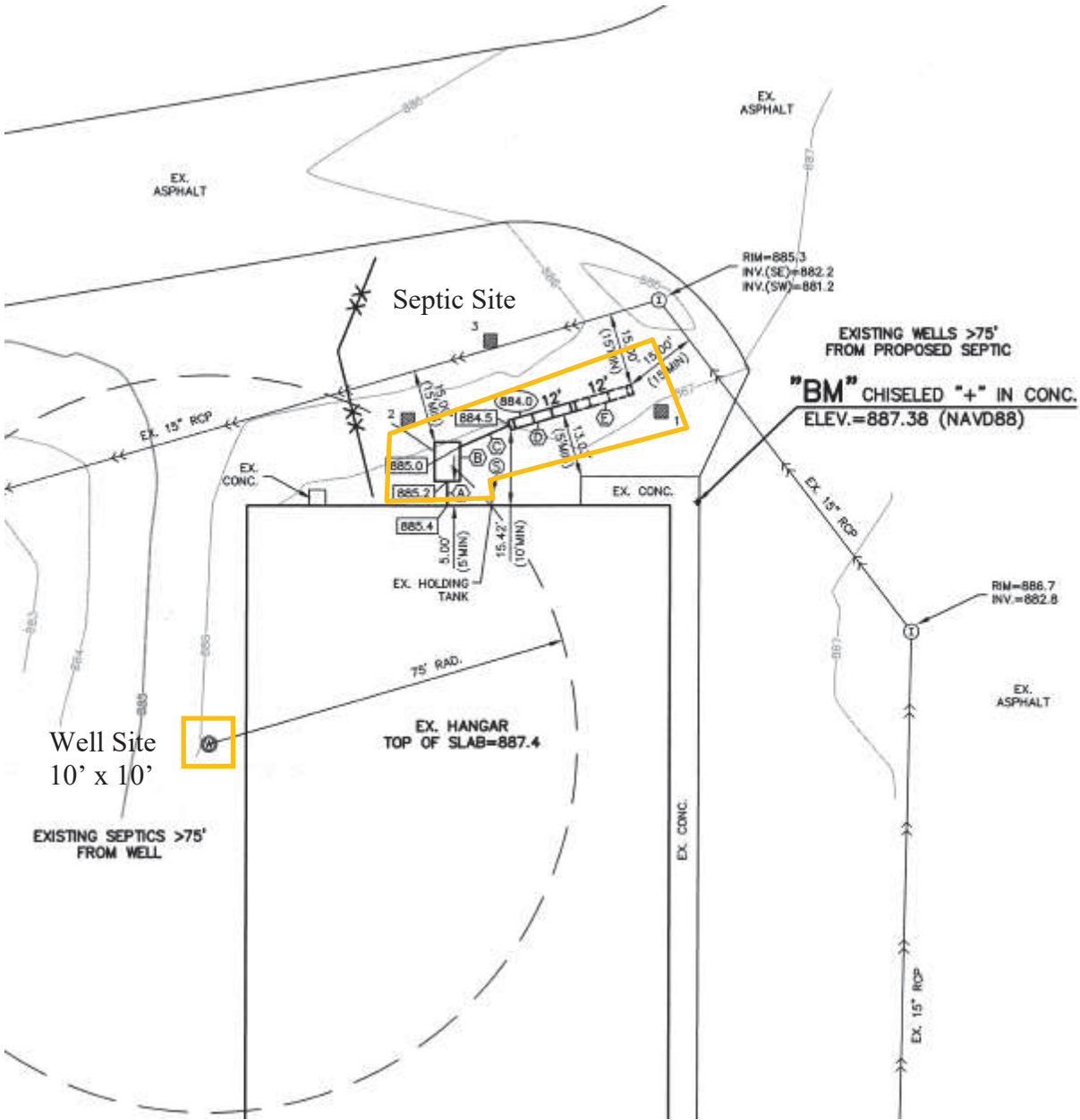
By:  \_\_\_\_\_  
Christopher Thoman

Title: Agent

# EXHIBIT A PREMISES







EX. ASPHALT

Septic Site

EX. ASPHALT

RIM=885.3  
INV.(SE)=882.2  
INV.(SW)=881.2

EXISTING WELLS >75'  
FROM PROPOSED SEPTIC

"BM" CHISELED "+" IN CONC.  
ELEV.=887.38 (NAVD88)

EX. 15" RCP

EX. CONC.

EX. CONC.

EX. 15" RCP

RIM=886.7  
INV.=882.8

EX. ASPHALT

Well Site  
10' x 10'

EXISTING SEPTICS >75'  
FROM WELL

EX. HANGAR  
TOP OF SLAB=887.4

EX. HOLDING TANK

8.00' (5 MIN)

15.42' (10 MIN)

75' RAD.

EX. CONC.

EX. 15" RCP



**EXHIBIT B  
RENT SCHEDULE**

**Village Owned Facility Leases and Tie Downs**

<b>Description</b>	<b>Rate</b>	<b>Frequency</b>
Hard surface tie downs	\$90.00	Monthly
Grass tie downs	\$60.00	Monthly
East and West T-Hangar Building Leases	\$299.00	Monthly
Maintenance Hangar Building Lease	\$2,881.78	Monthly
8603 Pyott Road Building Lease	\$2,075.91	Monthly

**Overnight Transient Storage**

<b>Description</b>	<b>Rate</b>	<b>Frequency</b>
Grass Tie Down	\$5.00*	Daily
Hard Surface Tie Down or Ramp Area	\$10.00*	Daily
T-Hangar	\$30.00	Daily

\*\$5 or \$10 respectively of the overnight transient fees will be waived if the aircraft operator purchases at least 15 gallons of aviation fuel in conjunction with that overnight stay.

**Land Leases**

<b>Description</b>	<b>Rate</b>	<b>Frequency</b>
Square Hangars	\$12.42*	Cents per Month
T-Hangar Size A (39'3" x 14'8"; 16'6" x 14'7" approx..)	\$191.45	Monthly
T-Hangar Size B (42'3" x 18'; 16'5" x 20'7" approx..)	\$199.17	Monthly
T-Hangar Size C (46' x 21'; 19'6" x 23'8" approx..)	\$214.58	Monthly

\*Per square foot of land area occupied based on the outside perimeter of the structure (rounded to the nearest foot) unless otherwise specified in the lease.

**Private Hangar Electrical Service Fee  
Monthly Fee by Breaker Size and Configuration**

<b>Breaker Size (Amps)</b>	<b>Monthly Fee (USD)</b>	<b>Comments</b>
20	\$7	Single breaker serves 3 individual hangars
20	\$11	Single breaker serves 2 individual hangars
20	\$22	Fee per individual breaker
30	\$32	Fee per individual breaker
40	\$43	Fee per individual breaker
50	\$54	Fee per individual breaker
60	\$65	Fee per individual breaker

### **Disconnect/Reconnect – Electrical**

If a tenant makes a request to the Village to disconnect Village provided electrical service to a private hangar, the disconnection may be completed subject to review to ensure it is feasible to complete the request. If the request is approved the tenant will not be allowed to reconnect to the Village provided electrical service for a period of 12 months. The 12-month period shall start on the date the electrical is disconnected to the private hangar. After the 12-month period, the tenant can submit a request to reconnect to the Village provided electrical service. The Village will charge a fee of \$65.00 to reconnect the Village provided electrical service.

### **Waiver to Late Fees**

If a late fee is assessed according to the lease, a request to waive the late fee may be considered by the Village Finance Department. The late fee may be waived in the event all of the following conditions are met:

1. A written request to waive the late fee must be presented to the Finance Department; and
2. The Finance Department must receive the written request to waive the late fee by the last business day of the month the payment was due and was not received until after the 10<sup>th</sup> of the same month; and
3. The tenant has displayed a good payment history during the preceding 12 months. A good payment history shall be defined as having a) no late fees posted to the account, and b) no late fee waiver requested for the account during the preceding 12 months and c) no returned payments associated with the account.

**EXHIBIT C  
PLANS**

Not applicable.



# REQUEST FOR BOARD ACTION

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**MEETING DATE:** August 10, 2021

**DEPARTMENT:** Community Development

**SUBJECT:** Approve Contract and Budget Amendment for Purchase of Business Recruiting and Retention Software

## EXECUTIVE SUMMARY

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Community Development requests approval for an unbudgeted three-year contract to access business recruiting and retention software. The Community Development Department recently hired an Economic Development Coordinator. His primary responsibility is to recruit and retain retail, manufacturing, and corporate office businesses to the Village. This responsibility and the proposed software supports the recently approved strategic objectives of "Implement revenue growth without increasing property taxes for the average property owner" and "Develop plans identifying development opportunities and detail the feasibility, needs, and challenges of each opportunity".

One key method of recruiting and retaining businesses is to present and maintain an up-to-date inventory of available properties on the Village website and to allow for website visitors to assess market conditions at the customized geography or market area which meets their requirements. Many potential new businesses will begin a market search by visiting a community website and conducting initial market analysis on the community website before calling a broker or community economic development staff. An unresponsive website can dissuade a potential new business from contacting economic development staff.

The proposed contract would enhance Village economic development webpages and provide property and market assessment capabilities as a service to potential new businesses. The proposed software would also provide research tools to allow existing business to look for market opportunity and make business investment and expansion plans based upon up-to-date market data which they currently may not have ready access to.

The addition of these capabilities will save the time and cost of staff embedding and maintain mapping and customizable market research capabilities into the Village website derived from different sources. The addition of this software service is also intended to have a positive financial impact by encouraging new businesses to locate to the Village and assisting with the expansion of existing businesses, thereby increasing revenue to the Village.

A wide range of software services are available which can assist with business recruitment and retention. Community Development staff has attended webinars and virtual vendor meetings with a number of vendors providing this type of service. Potential annual costs were also reviewed for multiple vendors. The GIS Webtech Recruit software is the only package which had the ability to host manufacturing, retail, and office property information, provide market research analysis, and partner with ESRI, the leading community development geographic information system software and data provider, to staff satisfaction. In addition, GIS Webtech Recruit software and service is substantially lower in price than all of the other vendors which were reviewed.

The need for this type of software was not identified in the current year's budget because neither the current Director nor the Economic Development Coordinator were hired until after the budget was prepared. The out of cycle request is necessary to improve the efficiency and effectiveness of staff members involved in the economic development process.

## **FINANCIAL IMPACT**

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Community Development staff reviewed pricing of similar software services and found the GIS Webtech Recruit software to be substantially lower in price than other vendors with a more comprehensive range of services. The contract under consideration from GIS Webtech is a three year contract, payable annually.

The first-year total, and amount of the budget amendment request, is \$7,300. The two subsequent payments would be \$5,300 per year. The requested \$7,300 expenditure would be paid out of the Capital Improvement Fund, which would in turn be funded by a transfer from the General Fund. The funds would come from unused salary for the Economic Development Coordinator from earlier in 2021. The expenditure would increase the total authorized budget expenditures for FY 2021. The two additional payments would be part of the 2022 and 2023 budget requests.

## **ATTACHMENTS**

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1. Budget Amendment Ordinance
2. Economic Development Solution Proposal
3. Software License Agreement
4. 5 Musts for Economic Development GIS

## **RECOMMENDED MOTION**

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Motion to approve a three-year contract and an ordinance executing a budget amendment to allow for an expenditure of \$7,300 for GIS Webtech Recruit software.



VILLAGE OF LAKE IN THE HILLS

Ordinance No. 2021-\_\_\_\_\_

**An Ordinance Approving a Budget Amendment  
to the Operating Budget for the  
Fiscal Year Ending December 31, 2021**

WHEREAS, the Village of Lake in the Hills, an Illinois municipal corporation (the "Village"), situated in McHenry County, Illinois, is a home rule municipality as contemplated under Article VII, Section 6, of the Constitution of the State of Illinois, and the passage of this Ordinance constitutes an exercise of the Village's home rule powers and functions to provide for the financial welfare of the Village and its residents; and

WHEREAS, the Village of Lake in the Hills acting by and through its President and Board of Trustees has previously approved an Operating Budget for the Fiscal Year ending December 31, 2021 as part of Ordinance No. 2020-36; and

WHEREAS, it is necessary and appropriate to delete, add to, or otherwise change certain sub-classes within object classes and certain object classes themselves in said Operating Budget as provided in Exhibit A to this Ordinance;

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the VILLAGE OF LAKE IN THE HILLS, McHenry County, Illinois, as follows:

SECTION 1: That amendments to the Operating Budget for the Fiscal Year Ending December 31, 2021 are hereby approved in the form and content as provided in Exhibit A which is attached hereto and made a part thereof.

SECTION 2: 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 3: All ordinances or parts of ordinances in conflict herewith are hereby repealed to the extent of such conflict.

SECTION 4: This Ordinance shall be in full force and effect immediately from and after its passage by a vote of two-thirds of the corporate authorities and approval and publication in pamphlet form (which publication is hereby authorized) as provided by law.

Passed this 12th day of August, 2021 by roll call vote as follows:

	Ayes	Nays	Absent	Abstain
Trustee Stephen Harlfinger	_____	_____	_____	_____
Trustee Bob Huckins	_____	_____	_____	_____
Trustee Bill Dustin	_____	_____	_____	_____
Trustee Suzette Bojarski	_____	_____	_____	_____
Trustee Diane Murphy	_____	_____	_____	_____
Trustee Wendy Anderson	_____	_____	_____	_____
President Ray Bogdanowski	_____	_____	_____	_____

APPROVED THIS 12TH DAY OF AUGUST 2021

\_\_\_\_\_  
Village President, Ray Bogdanowski

(SEAL)

ATTEST: \_\_\_\_\_  
Village Clerk, Shannon DuBeau

Published:

Exhibit A

08-12-2021

Village of Lake in the Hills  
Budget Transfer/Amendment  
For the Fiscal Year Ending December 31, 2021

Account Number	Account Description	Current Budget Amount	Revised Budget Amount	Increase (Decrease)	Amendment Description
<b>GENERAL FUND</b>					
Community Development Department					
100.14.00-50.12	Salaries & Wages Part Time	37,000	29,700	(7,300)	Economic Development Coordinator Hired Mid-Year
	Total - Community Development Department			(7,300)	
Interfund Transfers					
100.90.00-95.04	Transfers Out	29,225	36,525	7,300	Transfer to Capital Improvement Fund for Recruit Software
	Total - Interfund Transfers			7,300	
<b>CAPITAL IMPROVEMENT FUND</b>					
Capital Improvement Fund Revenues					
490.00.00-49.04	Transfers In	-	7,300	7,300	Transfer from General Fund for Recruit Software
	Total Capital Improvement Fund Revenues			<u>7,300</u>	
Capital Improvement Fund Expenditures					
490.00.00-80.52	Information Systems - Software	6,300	13,600	7,300	Purchase of Recruit Software
	Total Capital Improvement Fund Expenditures			<u>7,300</u>	

# Economic Development Solution Proposal for



**GIS** WebTech

July 23, 2021

# Introduction

## *Thanks for considering GIS WebTech!*

Our all-new **Recruit 4.5** solution is specifically designed to help attract new businesses and retain and expand existing businesses.

Recruit 4.5 provides your organization the best tools for winning in the competitive world of economic development.

1. ***Best Technology***
2. ***Best Data***
3. ***Best User Experience***
4. ***Best Value***

### **Record Results**

***75% of our customers achieve record performance in the year after they implement GIS WebTech's solution, as measured by capital investment and/or job creation.***



The following pages provide a specific example of Recruit 4.5's advantages in each of these four areas.

Please feel free to contact either of us with questions. We look forward to serving your technology and data needs!

**Courtney Bridger**  
Director of Business Development  
courtney@giswebtech.com  
714.418.8559

**Ron Bertasi**  
Chief Executive Officer  
ron@giswebtech.com  
404.535.1261



# Recruit's Unmatched Technology

## Example: Virtual Site Visits

*Only **Recruit** enables a comprehensive virtual site visit including 3D, allowing you to showcase your major properties in online meetings!*

- *Only **Recruit** integrates 3D basemaps with 3D projections of buildings, allowing you to tilt, pan and rotate -- effectively flying around the site in 3D and enabling a comprehensive virtual site visit...*



- *...and Recruit even integrates 3D projections of proposed buildings!*



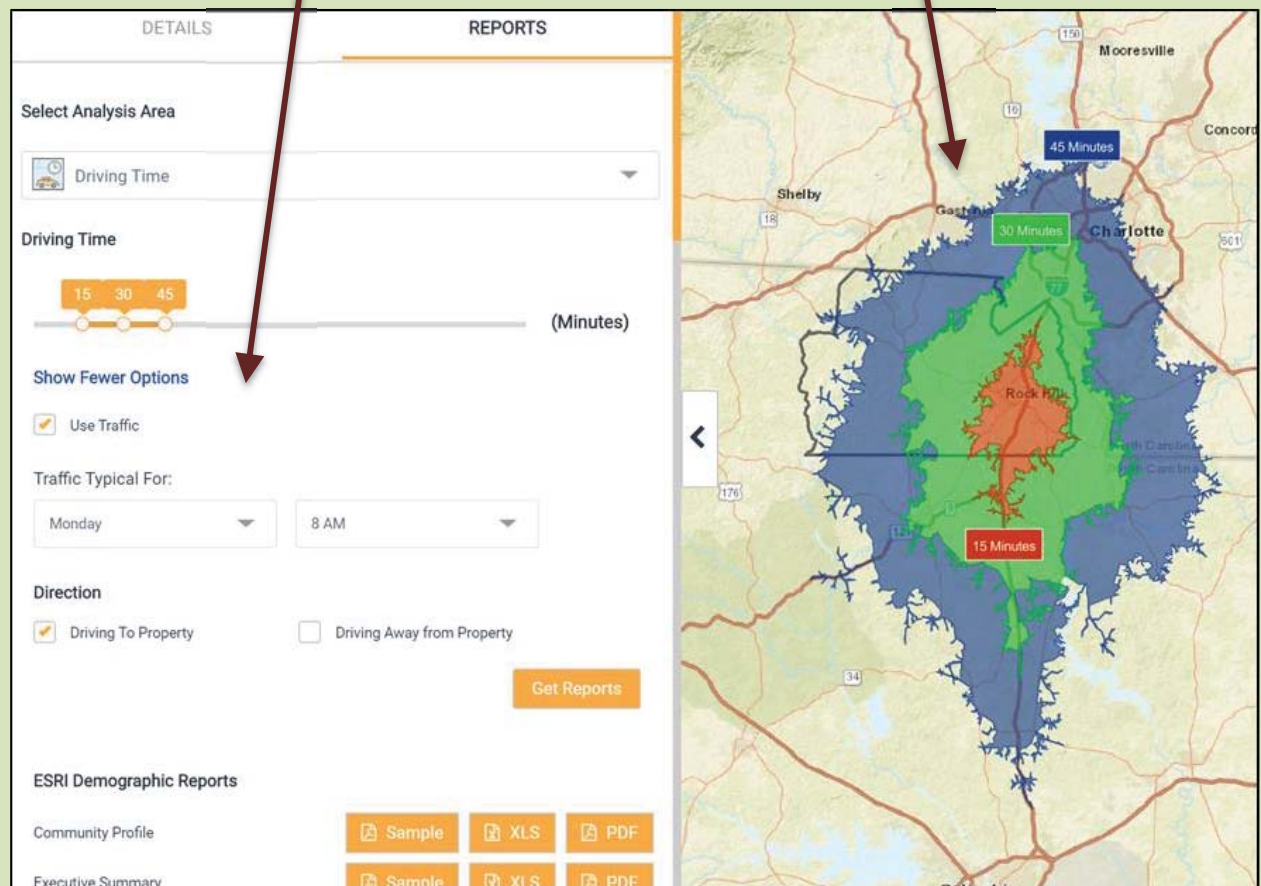
# Recruit's Unmatched Technology

## Example: Drive-Time Analysis

*Legacy technologies offer only average drive times with no consideration of traffic, which is simply unrealistic in today's world. **Recruit** solves this problem!*

➤ *Only **Recruit** allows the user to select the day of the week, time of day and direction of travel...*

➤ *...resulting in more rigorous analysis and higher quality data.*



# Recruit's Unmatched Data

## Example: Workforce & Demographics

Legacy technologies either source data from cheaper providers you've never heard of, or offer only a small number of Esri variables. **Only Recruit 4.5 provides real-time access to the entire Esri data set.**

Recruit's clean and well-organized user interface makes it simple for businesses to find the data they are looking for.

### Esri Demographic Data Most Accurate in Blind Study

#### Unprecedented Review Includes Top US Data Vendors

Redlands, California — Esri data proved to be the most accurate in a recent blind data study. Several top demographers conducted this unprecedented study of demographic forecasts that

The screenshot displays the Recruit 4.5 user interface. On the right, a map of Florida is shown with a 'Workforce' label over a specific region. On the left, a list of properties is visible, including 'Crawford Diamond Industrial Park' and 'Florida-Alabama Megapark'. A detailed popup window for 'Zip Name: Rock Hill' provides the following data:

Field	Value
Zip Code	29730
Occupation Code	49-0000
Occupation Type	Installation, Maintenance, and Repair Occupations
Employee Count	1,404
Average Annual Wage	\$44,138.98

Users can quickly and easily map the variables that interest them, such as an occupational code category, then click on the polygon for the **exact count and average wage** of workers in that category



# Recruit's Unmatched Data

## Example: Local Data Layers

***Integrate local data into your installation and showcase your community's strengths!***

*Unlike legacy technologies, GIS WebTech automates the process of integrating local data layers. Only Recruit can do this!*

*Incorporate industry clusters, sewer, water, zoning, parks, trails, neighborhoods, retail, tourism sites and more – any local data that helps tell your community's unique story.*

*And only Recruit makes these layers fully interactive...simply click to get underlying information!*

The screenshot displays the Recruit GIS WebTech interface. On the left, a sidebar shows a list of properties with details such as location, size, and status. The main area features a map of Greater Seattle with various data layers overlaid. A 'LAYERS' panel is open, showing a list of categories like Admin Boundaries, Infrastructure, Education, and Recreation. A pop-up window is open over the map, displaying detailed information for the 'Foundation Trail', including its name, system, county, length, surface, and status.

# Recruit's Unmatched User Experience

## Example: Intuitive Design

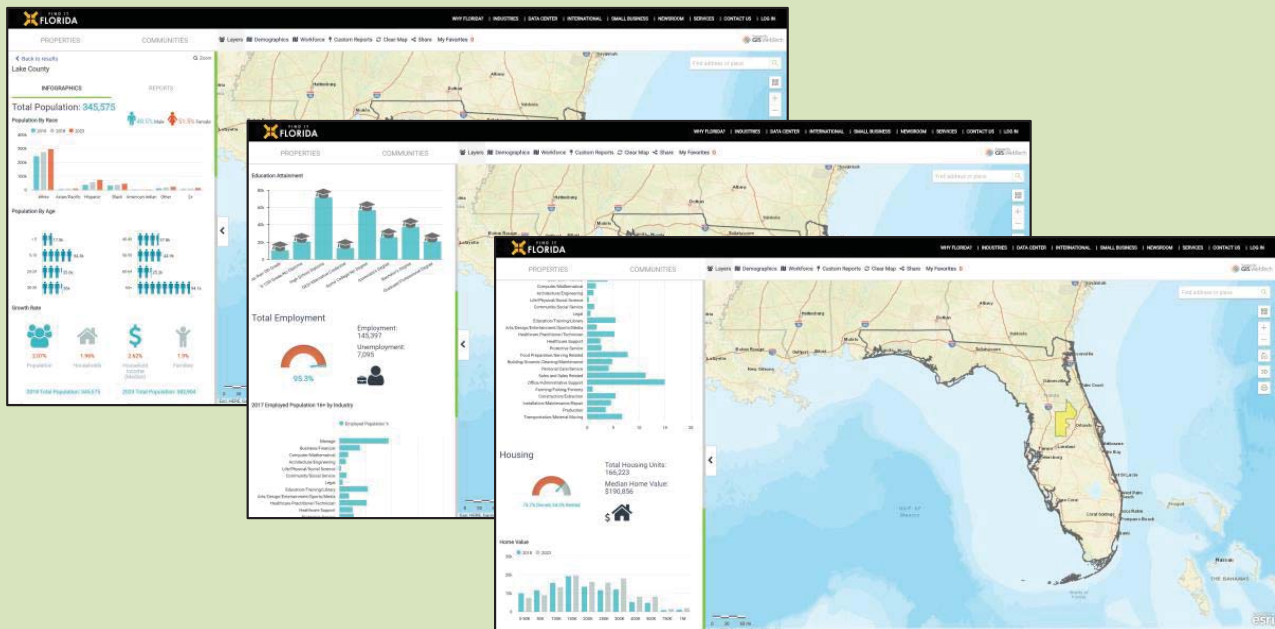
- Designed with intensive input from site selectors and businesses
- Intuitive, simple, efficient
- No user manual required!



Read our blog on the importance of user experience at [www.giswebtech.com](http://www.giswebtech.com)

*Key Takeaway: To compete and win, EDOs must provide an online GIS app with a simple, intuitive and efficient user experience. If businesses or site selectors become frustrated with a poorly designed app or cannot find critical data quickly and easily, they move on. The EDO risks elimination at this early stage, before it is even aware that it is under consideration. For this reason, bad user experience is "The Silent Killer."*

## Example: Intuitive, Colorful Infographics



# Recruit Viewer's Unmatched User Experience

## Example: Configurable Brochures

**AVAILABLE INDUSTRIAL BUILDING**  
12644 HANCOCK ROAD, CLERMONT, LAKE, FL 34711

**ELEVATE LAKE**  
Economic Development

Clermont Business Center  
Building 100 - 21,936 SF Available  
12644 Hancock Road, Clermont, FL 34711

**Description**  
Clermont Business Center is a new 9.4-acre park located at the intersection of Hancock Road and Trade Avenue in Clermont, Florida. The park sits just south of SR 50, an east/west state road leading to I-75, Florida's Turnpike, I-4, SR 528 and I-95. The park contains two front-load, Class A, warehouse/distribution buildings totaling 107,806 square feet. Building 100 is 63,208 square feet and has 21,936 square feet available for lease. — NOW LEASING — Suite 190 - 21,936 Square Feet Available (New Front-Load Distribution Facility)

**Property Details**  
Latitude: 28.550130  
Longitude: -81.746680  
Region:

**Building Details**  
Year Built: 2019  
Total Building (sqft): 63,208  
Parking: Yes

**Zoning**  
Federal Opportunity: No  
Building: Industrial/Distribution

**Sale / Lease**  
For Sale: No  
Sale Price(\$):  
For Lease: Yes  
Lease Price(\$):  
Price Per (sqft):  
Lease Type:

**Broker Contact**  
Company: Lee & Associates Commercial Real Estate Services  
Name: Tom McFadden  
Phone: (321) 281-8500  
Email: tmcfadden@lee-associates.com

**Why Lake County, FL?**  
3rd fastest growing county in Florida with a potential growth of 23% by 2030 (FDOT 2019&EPR 2020)  
Residential Population within 60-mile radius (Est 2021-04-17)  
2.0 M Total Employees within 60-mile radius (Est 2021-04-17)  
More than 500,000 students are enrolled at higher education institutions within a 100-mile radius (Est 2021-04-17)  
High School Graduation Rate (FloridaDepartment.org 2021-04-17)  
Median home price: \$221,200, which is 9.3% less than Orlando, 6.7% less than the State of Florida, and 4.3% less than the national average (bestplaces.net 2021)

For knowledgeable and confidential service, contact:  
Tracy Garcia  
P:(352) 742-3925  
E:tgarcia@lakecountyfl.gov  
20763 U.S. Highway 27  
Groveland, FL 34736

www.ElevateLake.com

① Users always get a professional-quality property brochure designed to your specifications...

② ...so you decide on data, layout, imagery, number of pages, etc.

③ And brochures are always created on demand by real-time access to the property database. No need to update static pdf flyers!



# GIS WebTech Best Value

## Great Technology *and* Great Service

- *We believe service is just as important as technology, and we pride ourselves on working closely with our customers to help them achieve their goals*
- *How satisfied are our clients? Our retention rate is over 99%, the highest in the industry*
- *Not only that, but **our customers are our best sales people** – many of our clients have come from customer referrals*
- *Want to find out for yourself how our customers view our service as well as our technology? Just let us know. We would be happy to provide references – or just call of our customers*



# Fee Structure

## *Simple and Competitive Fees*

<b>1. Recruit Solution &amp; Data Licensing</b>	<b>Recurring Basis</b>	<b>Fee</b>
Recruit 4.5 Professional Version <u>Less Special Discount</u> Total	Annual	\$5,800 /yr <u>(\$500 / yr)</u> \$5,300 / yr
Workforce Data <u>Less Special Discount</u> Total	Annual	\$685 /yr <u>(\$685 /yr)</u> \$0 /yr
Complete Esri Demographic and Economic Data Set	Annual	Included
Hosting	Annual	Included
<b>2. Recruit Set-Up</b>		
Configuration, Implementation & Unlimited Training	One-time	\$1,950
<b>3. Recruit Technical Support</b>		
Technical Support	Annual	Included

### Proposal Assumptions and Notes

- ④ Pricing assumes a three-year contract and is valid for 60 days from the date of this proposal unless extended in writing by GIS WebTech
- ④ Please contact us with any questions

***We look forward to serving as your technology partner!***

# Software License Agreement

This Software License Agreement ("Agreement") is entered into effective August 15, 2021 (the "Effective Date") by and between GIS WebTech LLC, ("LICENSOR"), a Georgia limited liability company, and Village f Lake in the Hills, Illinois ("LICENSEE"). In consideration of the mutual promises and upon the terms and conditions below, the parties agree as follows:

## RECITALS:

- LICENSOR is the owner of a software solution for online site selection and analysis ("Recruit");
- LICENSEE desires to obtain a license to use Recruit as a Software-as-a-Service ("SAAS") application;
- LICENSOR desires to grant LICENSEE a license to use Recruit as a SAAS application.

NOW, THEREFORE, in consideration of the mutual promises contained here (the receipt and sufficiency of which is hereby acknowledged) the Parties hereby agree as follows:

## ARTICLE 1 LICENSE GRANT

**1.1 Grant of License.** Subject to the terms and conditions of this Agreement LICENSOR will provide LICENSEE with online access to Recruit for use as described in Schedule A attached hereto, including updates, bug fixes, or other minor enhancements or improvements that are made generally available by LICENSOR to similarly situated clients paying similar license fees (hereafter the "Services"). Subject to the terms and conditions of this Agreement, and only upon payment in full to LICENSOR, LICENSOR grants to LICENSEE a personal, nontransferable, nonsublicensable, nonexclusive limited license to use Recruit for LICENSEE'S own use, in accordance with any documentation provided by LICENSOR, to allow web site users to view and search for information about properties and related data.

**1.2 License Attributes.** The license for LICENSEE's use of the Services will be personal, nontransferable, nonsublicensable, nonexclusive limited license and irrevocable except as provided herein. The license authorizes LICENSEE to use Recruit for any aspect of their business in accordance with the terms of the Agreement. Any changes or additions to the Services requested by LICENSEE must be agreed in writing and signed by both parties, and LICENSEE agrees and recognizes that any such changes may require changes to agreed delivery schedules and the payment of additional fees to LICENSOR.

## ARTICLE 2 PROPRIETARY RIGHTS OF LICENSOR

### 2.1 Restrictions on Use

LICENSEE acknowledges and agrees as follows:

(a) Although LICENSEE is permitted by LICENSOR to use Recruit according to the terms and conditions herein, LICENSOR owns and forever retains sole and exclusive right to control and direct the manner or means by which Recruit is provided and Services are performed. Nothing herein entitles LICENSEE to actual possession of any software. LICENSEE does not obtain any right to use, modify, duplicate or reverse engineer any aspect of Recruit or the Services.

(b) LICENSEE agrees that it shall not: i) modify, decompile, translate, distribute, rent, sell, lease, license, assign or otherwise transfer all or any part of Recruit or the Services (including sharing the URL providing online access to Recruit) and LICENSEE's rights to use Recruit and such Services, except for use by web site end-users as described herein, ii) reverse engineer or otherwise attempt to discover source code or underlying ideas or algorithms of Recruit or the Services, or iii) modify or create derivative works based on Recruit or the Services.

(c) Recruit will include LICENSOR's image logo and text descriptions identifying LICENSOR's ownership, copyright notice, and links to LICENSOR websites.

### **ARTICLE 3 LICENSEE DUTIES AND RESPONSIBILITIES**

31 **Data and Information.** LICENSEE shall make available in a timely manner at no charge to LICENSOR all technical data, programs, files, documentation, sample output, or other information and resources reasonably required by LICENSOR for the provision of the Services to LICENSEE including but not limited to the Data described in Schedule A, Section 6. LICENSEE will be responsible for, and assumes the risk of any liabilities resulting from the content, accuracy, completeness and consistency of all such data, materials and information supplied by LICENSEE. LICENSEE shall cooperate with LICENSOR and provide such assistance as LICENSOR may reasonably request in connection with LICENSOR's efforts to obtain all consents, approvals and authorizations of and cooperation from third parties which may be necessary or required in order to use the materials or information provided by LICENSEE. LICENSEE shall bear any costs (including those above and beyond LICENSOR's quoted costs) including added time resulting from LICENSEE's failure to meet its obligations.

### **ARTICLE 4 OWNERSHIP**

4.1 LICENSEE acknowledges that, as between LICENSOR and LICENSEE, all right, title and interest in the Services including the Recruit software, and any other LICENSOR materials furnished or made available hereunder, and all modifications, enhancements and improvements thereof, including all rights under copyright and patent and other intellectual property rights, belong to and are forever retained solely by LICENSOR, or LICENSOR's licensors and providers, if any. There are no implied rights.

### **ARTICLE 5 FEES, EXPENSES, AND TAXES**

5.1 **Fees.** LICENSEE shall pay LICENSOR the fees listed in Schedule B according to the following schedule:

- One hundred percent (100%) of the Recruit Professional Version Annual License Fee, plus one hundred percent (100%) of the Implementation Fee, plus one hundred percent (100%) of the Workforce Data Fee shall be due and payable at the Effective Date;
- One hundred percent (100%) of the Recruit Professional Version Annual License Fee, plus one hundred percent (100%) of the Workforce Data Fee shall be paid thirty (30) days prior to each anniversary of the Effective Date.

Effective only after the third anniversary of the Effective Date, the Recruit Professional Version Annual License Fee and the Workforce Data Fee may be changed by LICENSOR with 30 days advanced, written notice. Prior to the third anniversary of the Effective Date, the Workforce Data Fee may be changed by LICENSOR only if the fee(s) charged for the data by LICENSOR'S data provider are increased. LICENSOR may cease provision of Services at any time if payment is not timely made. In addition, LICENSEE shall pay LICENSOR one and one-half percent (1.5%) interest per month on the outstanding balance of any fees or approved expenses not paid within thirty (30) days of the due date, provided LICENSOR is not in breach of this Agreement. LICENSOR provides the option to pay via credit card or debit card for LICENSEE'S convenience, and if choosing to pay via credit card or debit card LICENSEE agrees to pay an additional processing fee of 2.75%.

5.2 **Expenses.** Provided LICENSOR has obtained prior written approval from LICENSEE, LICENSEE shall reimburse LICENSOR for all reasonable out-of-pocket expenses actually incurred by LICENSOR in performance of the Services.

5.3 **Taxes.** If LICENSEE is not a tax-exempt entity, LICENSEE shall pay or reimburse any and all federal, state, dominion, provincial or local sales, use, personal property, excise, or other taxes, fees or duties arising from or related to this Agreement (other than taxes based on LICENSOR's net income).

## **ARTICLE 6 ADDITIONAL SERVICES**

6.1 In the event that LICENSEE desires LICENSOR to provide additional consulting or other services beyond the scope of the Services, then the parties shall mutually agree upon a Statement of Work describing the scope of such consulting or other services, which document shall be appended to this Agreement and made a part hereof. Any additional fees for such consulting or other services will be billed on a time and materials basis in accordance with the rates set forth in Section 4 of Schedule A unless different fees are mutually agreed in the applicable Statement of Work.

## **ARTICLE 7 CONFIDENTIALITY**

7.1 Each party agrees to keep confidential and not disclose or use except in performance of its obligations under this Agreement, confidential or proprietary information related to the other party's technology or business, including, but not limited to: information relating to products or technology or the properties, composition, structure, use or processing thereof, computer programs, code, algorithms, schematics, data, know-how, processes, ideas, inventions, and other technical, business, financial, and product development plans, forecasts, strategies and information (all of the foregoing, "Confidential Information"). Each party shall use reasonable precautions to protect the other's Confidential Information. Confidential Information shall not include information that (a) is in or enters the public domain including in reasonably available public or government databases through no improper action or inaction by either Party; (b) was rightfully in the Receiving Party's possession or known by it prior to receipt from the Disclosing Party; (c) was rightfully disclosed to the Receiving Party by another person without restriction; or (d) was independently developed by the Receiving Party by persons without access to such information and without use of any Confidential Information of the Disclosing Party. Each party may disclose Confidential Information that is required to be disclosed by a court or other adjudicative body provided that reasonable measures are taken to minimize disclosure and guard against further disclosure, and also provided that the party gives the other party prior written notice of the proposed disclosure to allow the other party to seek protection for the Confidential Information. This obligation to keep confidential all Confidential Information shall survive this Agreement and remain for a period of two years after its termination.

## **ARTICLE 8 WARRANTIES**

8.1 LICENSOR will use commercially reasonable efforts to provide the Services in a professional and workmanlike manner. LICENSOR MAKES, AND LICENSEE RECEIVES, NO WARRANTIES OF ANY KIND, EXPRESS, IMPLIED OR STATUTORY, ARISING IN ANY WAY OUT OF, RELATED TO, OR UNDER THIS AGREEMENT OR THE PROVISION OF MATERIALS OR SERVICES THEREUNDER, AND LICENSOR SPECIFICALLY DISCLAIMS ANY IMPLIED WARRANTY OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE. LICENSOR DOES NOT WARRANT THAT THE OPERATION OF THE SOFTWARE WILL BE UNINTERRUPTED OR ERROR FREE.

## **ARTICLE 9 LIMITATION OF LIABILITY**

9.1 LICENSEE AGREES THAT LICENSOR'S AGGREGATE LIABILITY UNDER THIS AGREEMENT IS LIMITED TO THE ACTUAL AMOUNT PAID BY LICENSEE FOR THE SERVICES. IN NO EVENT SHALL LICENSOR HAVE ANY LIABILITY FOR ANY SPECIAL, INDIRECT, OR CONSEQUENTIAL DAMAGES INCLUDING, WITHOUT LIMITATION, DAMAGES FOR LOST

PROFITS, LOSS OF DATA OR COSTS OF PROCUREMENT OF SUBSTITUTE GOODS OR SERVICES, ARISING IN ANY WAY OUT OF THIS AGREEMENT UNDER ANY CAUSE OF ACTION.

**ARTICLE 10  
TERMINATION**

10.1 This Agreement will take effect on the Effective Date and will remain in effect, unless earlier terminated in accordance herein, until the third anniversary of the Effective Date. At the end of such term, and each subsequent anniversary of the Effective Date, this Agreement shall renew automatically for additional one (1) year terms unless either party provides written notice of termination to the other at least sixty (60) days before the end of the then current term. Notwithstanding the foregoing, LICENSOR may immediately terminate this Agreement if LICENSOR determines that LICENSEE has failed to comply with any of the terms and conditions of this Agreement, or may terminate for convenience provided that LICENSOR offers LICENSEE a pro-rata reimbursement for the time period that the Services are not provided due to such termination for convenience. This Agreement may be terminated by either party if the other party (i) fails to pay any amount due under this Agreement within ten (10) days after written notice of such nonpayment, or (ii) commits a material breach of this Agreement, which breach, if capable of being cured, is not cured within thirty (30) days of written notice of termination. Termination by any means will not affect the provisions of this Agreement relating to the payment of amounts due, or the provisions of Sections 4, 7, 8, 9, 12 and 14 of this Agreement, all of which will survive termination of this Agreement, regardless of the reason for termination. Upon termination, all licenses and rights to the Services that are granted hereunder shall terminate, and LICENSEE shall immediately return to LICENSOR, LICENSOR proprietary and confidential information, and documentation regarding use of the Services, if any, along with a signed, written statement certifying that LICENSEE has returned to LICENSOR, and is no longer in possession of the foregoing items.

**ARTICLE 11  
GOVERNMENT USE**

11.1 If LICENSEE is a unit or agency of any government, or licensing use of the Services by payment with government funds, the Services are provided subject to LICENSOR's standard commercial terms, set forth in this Agreement.

**ARTICLE 12  
REFERENCE**

12.1 LICENSEE agrees that LICENSOR may identify LICENSEE as a customer and use its logo on its brochures, websites, and other marketing materials, and may describe the Services provided by LICENSOR to LICENSEE and include imagery and video examples of the Services in its marketing materials.

**ARTICLE 13  
INDEPENDENT CONTRACTOR**

13.1 Each party will be and act as an independent contractor and not as an agent or partner of, or joint venture with, the other party for any purpose related to this Agreement or the transactions contemplated by this Agreement, and neither party by virtue of this Agreement will have any right, power or authority to act or create any obligation, expressed or implied, on behalf of the other party.

**ARTICLE 14  
GENERAL**

14.1 **Assignment.** This Agreement is not assignable or transferable by LICENSEE without the prior written approval of LICENSOR, and any such attempted assignment or transfer shall be void and without effect.



14.2 **Attorney Fees.** In any action to enforce this Agreement the prevailing party will be entitled to costs and attorneys' fees.

14.3 **Waiver.** The waiver by either party of a breach of this Agreement or any right hereunder shall not constitute a waiver of any subsequent breach of this Agreement; nor shall any delay by either party to exercise any right under this Agreement operate as a waiver of any such right. If any provision of this Agreement shall be adjudged by any court of competent jurisdiction to be unenforceable or invalid, that provision shall be limited or eliminated to the minimum extent necessary so that this Agreement shall otherwise remain in full force and effect and enforceable.

14.4 **Governing Law.** This Agreement and any disputes hereunder shall be governed by the laws of the State of Georgia.

**ARTICLE 15  
ENTIRE AGREEMENT**

15.1 This Agreement sets forth the entire understanding between the parties with respect to the subject matter hereof, and merges and supersedes all prior agreements, discussions, express or implied, concerning such matters. Any modifications of this Agreement must be in writing and signed by both parties hereto. The Agreement shall take precedence over any additional conflicting terms which may be contained in LICENSEE's purchase order or other acknowledgement forms.

**IN WITNESS THEREOF,** each of the Parties hereto has caused this Agreement to be executed by its duly authorized representative on the data first set forth above.

**GIS WebTech LLC**

Signature:  \_\_\_\_\_

Name: Ronald P. Bertasi

Title: CEO

Date: August 4, 2021

**LICENSEE**

Signature: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

## **SCHEDULE A**

### **Statement of Work**

#### **1.0 SERVICES DESCRIPTION**

The Services shall be the provision of software functionality on an online basis via the Internet. The functionality of the Services will include the following:

##### **1.1 Basemaps**

- Available basemaps will be those provided by Esri, as Esri may change from time to time, currently including: Imagery; Imagery with Labels; Streets; Topographic; Dark Gray Canvas; Light Gray Canvas; National Geographic; Oceans; Terrain with Labels; Open Street Map; USA Topo Maps; USGS National Maps

##### **1.2 Search and Reporting**

- Property Search and Reporting
  - Site users will be able to search for available commercial property based on user-defined information such as minimum and maximum size and type of use.
  - Site users will be able to generate property reports for available properties.
  - LICENSEE is responsible for providing property data for display in the software, through (1) provision of electronic property data to LICENSOR, or (2) direct entry of property data by LICENSEE, or (3) direct entry by third parties provided access by LICENSEE as described further in section 1.5(a) below.
- Community Search and Reporting
  - Site users will be able to search, view and generate reports for communities within the project geography.
- Custom Reporting
  - Site users will be able to generate Esri reports by dropping a pin, creating a ring, drive time, trucking time, or walking time.

##### **1.3 Layers**

- Thematic Maps
  - The data reports and variables made available by Esri via their GeoEnrichment API will be made fully available for thematic mapping in Recruit
- Community Layers
  - LICENSEE, or LICENSOR acting on behalf of LICENSEE, will be able to add layers to Recruit from any layers in LICENSEE's ArcGIS Online account or the account of a third-party providing authorization.

##### **1.4 Sharing**

Site users can perform the following sharing functions:

- Export data into MS Excel, Adobe PDF
- Export links to copy into an ArcGIS online account
- Share a property on social media sites, such as, Facebook, Twitter, LinkedIn

## 1.5 Administrative Tool Features

### 1.5 (a) Property Management for External Users

This is an area within the Administrative area where real estate professionals (like brokers or property owners) or other individuals may add an available property, delete a property that has been leased or purchased, and modify information for a property. To help avoid conflicts between brokers, Recruit will provide functionality to allow LICENSEE to offer individual security logins and passwords so that only the individual who added the property, and who has the appropriate login and password, should be able to view or delete the property. As provided, Recruit will also check for the ID of the broker before deleting information. A login and a password will also be required in order to add or delete a property. A user-friendly web site or interface will be used to make adding, deleting or modifying a property relatively easy for the broker.

Both the Broker's login database and Property Listing database will be maintained on a server running the Recruit software.

Brokers can also add photo images and/or document attachments that will appear on the property report. A file size limit of 1 MB will be required for each file.

Properties that cannot be geocoded to ArcGIS Online will be excluded from the database of properties.

LICENSEE understands and agrees that, with the sole exception of the individual security logins and passwords described above, only users in LICENSEE'S organization are authorized to log in and/or utilize any portion of the Administrative area of Recruit. In no case shall any third party be authorized to log in to LICENSEE'S installation of Recruit and utilize the Administrative functions of Recruit.

### 1.5 (b) Layer Control

- LICENSEE, or LICENSOR acting on behalf of LICENSEE, will be able to add layers to Recruit from any layers in LICENSEE'S ArcGIS Online account or the account of a third-party providing authorization.

### 1.5 (c) Permission Privilege

- LICENSEE is enabled to provide secured user-specific access (via unique username and password) to external users to non-public community layers.

## 1.6 Available Esri Reports

Users will be able to produce reports offered by Esri, as Esri may change from time to time, currently including the list below:

- **2010 Census Profile**
- **ACS Housing Summary**
- **ACS Population Summary**
- **Age 50+ Profile**
- **Age by Sex by Race Profile**
- **Age by Sex Profile**
- **Automotive Aftermarket Expenditures**
- **Business Summary**  
Note: This is an Esri report, not to be confused with the optional business tab for searching and querying business listing data.
- **Community Profile**
- **Custom Map Landscape**

- Custom Map Portrait
- Demographic and Income Comparison Profile
- Demographic and Income Profile
- Detailed Age Profile
- Disposable Income Profile
- Dominant Tapestry Map
- Electronics and Internet Market Potential
- Executive Summary
- Finances Market Potential
- Financial Expenditures
- Graphic Profile
- Health and Beauty Market Potential
- House and Home Expenditures
- Household Budget Expenditures
- Household Income Profile
- Housing Profile
- Landscape Summary Report
- Major Shopping Center Map
- Market Profile
- Medical Expenditures
- Net Worth Profile
- Pets and Products Market Potential
- Recreation Expenditures
- Restaurant Market Potential
- Retail Goods and Services Expenditures
- Retail Market Potential
- Retail MarketPlace Profile
- Site Details Map
- Site Map on Satellite Imagery - 0.4 Miles Wide
- Site Map on Satellite Imagery - 0.8 Miles Wide
- Site Map on Satellite Imagery - 1.6 Miles Wide
- Site Map Report
- Sports and Leisure Market Potential
- Tapestry Segmentation Area Profile
- Traffic Map
- Traffic Map - Close Up

#### 1.7 Workforce Data

- Workforce data is incorporated into Recruit from workforce data supplier(s) subject to the terms of marketing alliance(s) maintained by LICENSOR with those supplier(s). LICENSOR reserves the right to switch workforce data providers at any time.

## 2.0 SERVICE

2.1 **Delivery and Installation.** LICENSOR will make the Services available to LICENSEE as a SAAS solution in accordance with a mutually agreed project schedule.

2.2 **Maintenance.** LICENSEE agrees and understands that routine maintenance by LICENSOR's internet service provider or hosting facilities may cause temporary downtime, and that loss of connectivity by LICENSEE and its users to the hosted services due to reasons which are beyond LICENSOR's reasonable control may occur from time

to time, and agrees that the LICENSOR shall not be responsible for such loss of connectivity. LICENSEE recognizes and agrees that users should have access to high-speed internet connections for best performance.

2.3 **Hosting.** LICENSEE has engaged LICENSOR to implement and provide the Services as a LICENSEE of a SAAS solution through an online web-hosted portal. As context dictates, Services will also refer to any proprietary or third-party software or infrastructure used by the LICENSOR to provide such Services. LICENSOR will provide a suitable hosting environment for the Services.

2.3(a). **Uptime Commitment.** After implementation of the site is completed, LICENSEE and end users will be able to access and use the Services twenty-four hours a day, seven days a week. The Services will be fully functional in accordance with the Agreement. LICENSOR will use commercially reasonable efforts to make the Services available at least ninety-seven percent (97%) of the time during each calendar month of the term, excluding: (a) scheduled maintenance, emergency maintenance, and scheduled updates (which, when possible will be identified in advance to LICENSEE in writing and scheduled during off hours); (b) access or use problems related to the failure of the LICENSEE's site or solution; (c) access or use problems associated with LICENSEE's failure to use the Services within the operational directions, specifications, and requirements established by LICENSOR; (d) access or use problems caused by software, patches, updates, or upgrades installed by LICENSEE on its site; (e) access or use problems caused by LICENSEE's users, representatives, or employees; (f) access or use problems caused by LICENSEE's personal device or internet service provider (subsections (b) through (f) above being referred to as "Excused Delays".

2.4 **Help and Training.** LICENSOR will provide help and training to enable LICENSEE to properly test and use the Services. Training is approximately 4.0 hours and will be delivered via webcast.

2.5 **Support.** Support means LICENSOR will (i) correct deficiencies, and (ii) be accessible by telephone during normal business of LICENSEE on regular business days to answer questions about the Services.

### 3.0 IMPLEMENTATION SCHEDULE

The implementation schedule will be mutually agreed between the parties.

### 4.0 FEES FOR ADDITIONAL SERVICES

Time and material rates are established as follows:

- Staff: \$165.00 / Hour
- Senior Staff (CEO, COO, CTO): \$250.00 / Hour
- Travel related expenses and other out-of-pocket expenses: passed through to LICENSEE for reimbursement at cost with no mark up

### 5.0 GEOGRAPHIC SCOPE

The geographic scope of the Services provided to LICENSEE will be the Village of Lake in the Hills, Illinois unless mutually agreed otherwise.

### 6.0 LICENSEE REQUIREMENTS

Provided is a list of requirements to be furnished by the LICENSEE to LICENSOR at the start of the project. Failure by LICENSEE to provide this data or information shall not affect or delay payment of any fees due to LICENSOR under Article 5 of this Agreement nor relieve LICENSEE of any other obligations under this agreement.

Introduction to, access to, and support in discussions with key stakeholders, to include:

- Internal stakeholders (e.g. IT team, GIS, Marketing, etc.)
- External partners including Esri, 3rd party data providers, website developers, and others whose cooperation is required to deliver the Services

Data

- Property listing data (required format to be supplied by GIS WebTech)

Images

- Organization logo, photos use for the user interface



## **SCHEDULE B**

### **Fees**

<b><i>1. Recruit Solution &amp; Data Handling</i></b>	<b><i>Recurring Basis</i></b>	<b><i>Fee</i></b>
Standard Recruit Professional Version Annual License Fee <u>Less Special Discount</u> Recruit Professional Version Annual License Fee	Annual	\$5,800 /yr <u>(\$500 /yr)</u> \$5,300 /yr
Standard Workforce Data Fee <u>Less Special Discount</u> Workforce Data Fee	Annual	\$685 /yr <u>(\$685 /yr)</u> \$0 /yr
Complete Esri Demographic and Economic Data Set	Annual	Included
Hosting	Annual	Included
<b><i>2. Configuration, Implementation &amp; Training</i></b>		
Implementation Fee	One-time	\$1,950
Training	Unlimited	Included
<b><i>3. Recruit Technical Support</i></b>		
Technical Support	Annual	Included



# 5 Musts for Economic Development GIS

Check all five boxes and create competitive advantage for your community





56.74

As GIS has gotten simpler and easier to use in recent years it has achieved widespread adoption in economic development.

So how should an economic development professional evaluate GIS tools and technology? There are five musts for applying GIS to economic development, and you need to check all five boxes to ensure you are getting the most out of GIS.

GIS technology is, in turn, rapidly changing the way economic development is done, and economic development organizations that stay on the leading edge can create competitive advantage for the communities they serve.





Must 01

# Comprehensive Virtual Site Visits

Virtual site visits exploded in use in 2020, as pandemic-related travel restrictions eliminated traditional site visits for many months. Economic developers using tools built on the Esri platform were ready. Why? Because Esri has had this functionality for years. GIS WebTech's Recruit technology, built on the Esri platform, has enabled comprehensive virtual site visits since 2017.



## So What is a Virtual Site Visit?


A virtual site visit is a meeting held via Zoom, Microsoft Teams, or a similar platform. In a virtual site visit the economic developer utilizes GIS technology to showcase the property in 3 dimensions – inside and out – providing a full experience of the property for his/her prospect. The economic developer uses the data and analytical tools in the GIS technology to guide the discussion and respond to questions in real time.

No matter how well done, a video is obviously not a virtual site visit. Neither is a link to Google Earth, a consumer app which only shows an exterior view of existing buildings, cannot show interior space or proposed buildings, and skips rural areas entirely.

In contrast, a comprehensive virtual site visit includes five components, which in aggregate allow the economic developer to showcase the property and to leave no question unanswered.

Must 01: Comprehensive Virtual Site Visits

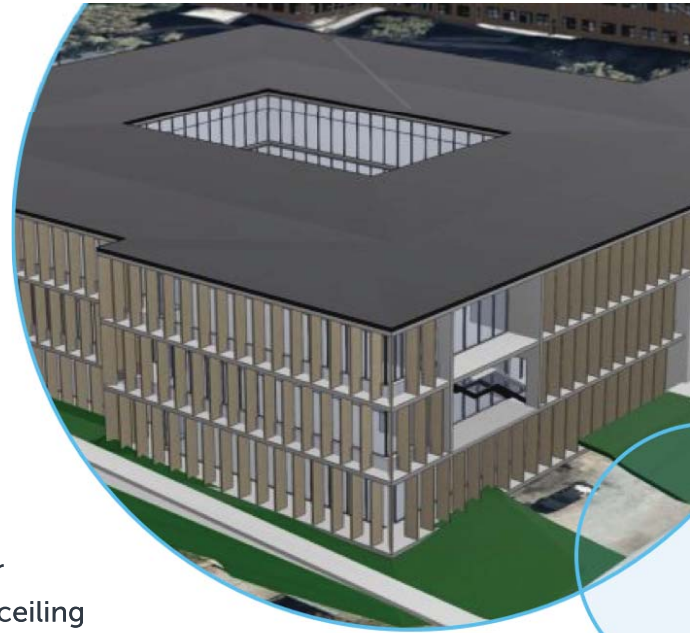




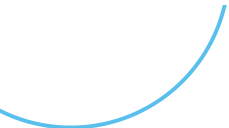
**01 3D layers of buildings** allow the economic developer complete control to show the buildings from aerial and street level views from all sides. Importantly, up-to-date GIS technology now allows the economic developer to easily incorporate 3D layers for proposed buildings, so prospects no longer have to use their imagination to envision what a potential building will look like on a site – economic developers can show proposed buildings as easily as existing buildings.

**02 A complete set of property data** should always include the information most relevant for the particular prospect, like zoning utility rates, rail access, proximity to interstates, or building specifics such as ceiling height.


**03 Interactive layers** highlighting local strengths allow the site to stand out from competing locations. In urban areas these can be layers showing transit; for industrial sites they can be layers showing infrastructure like utilities or wastewater; and for rural areas they can be layers emphasizing quality of life or labor shed.







**04** **Updated media**, especially 360-degree images of the interior space of existing buildings, allow you to provide a virtual experience for critical the interior space.



**05** **Advanced analytical tools** are needed to answer questions on the fly. The economic developer should be able to answer almost any question in detail and in real time, with just a few clicks and just a few seconds, and display the results on the screen.

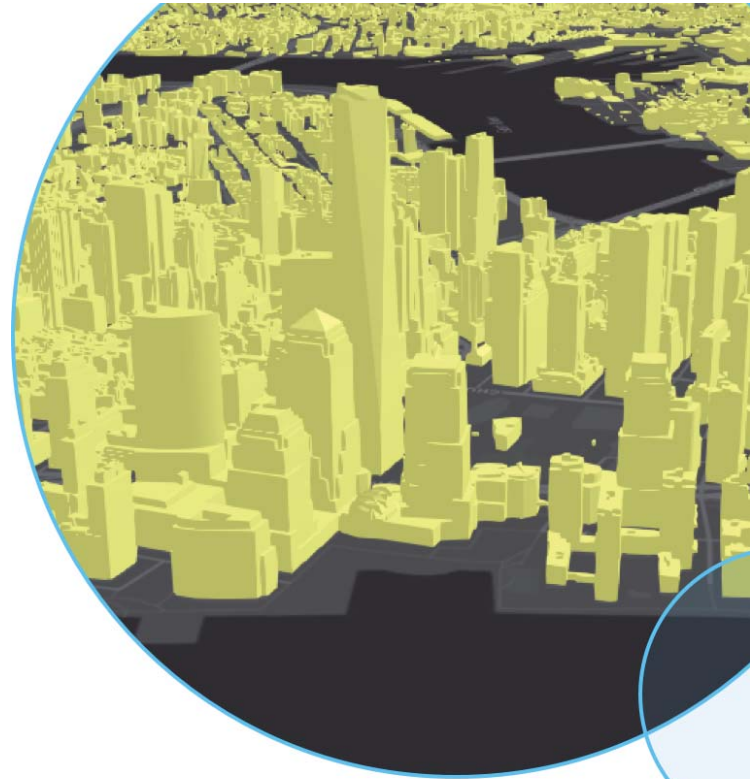


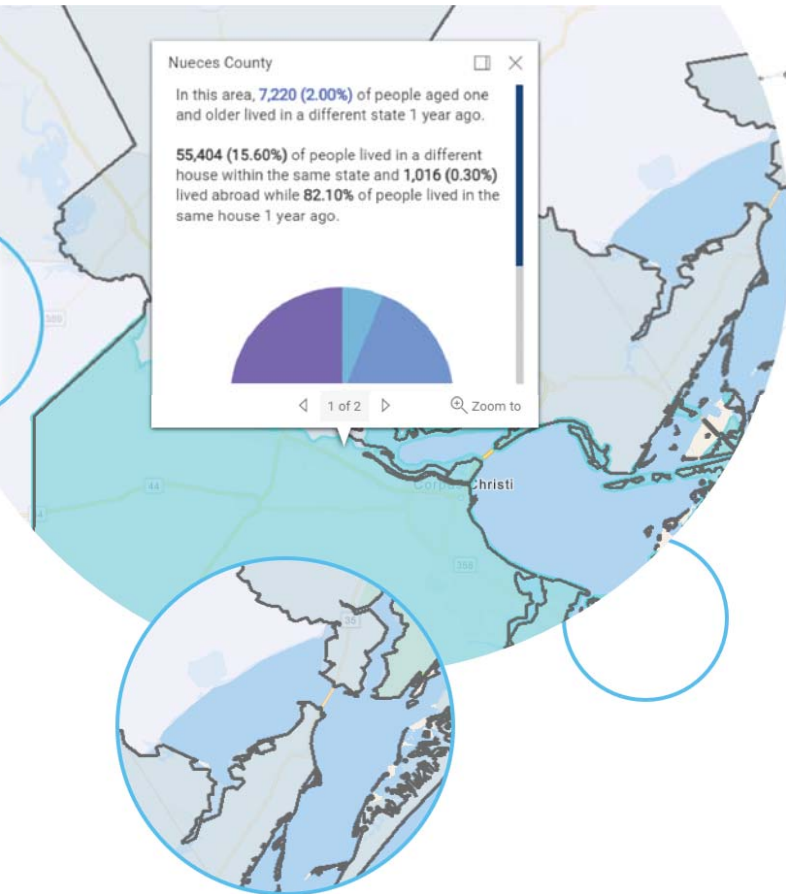
Must 01: Comprehensive Virtual Site Visits

The logo for GIS WebTech, featuring a colorful grid of dots to the left of the text "GIS WebTech".

## Fact

Virtual site visits have proved so effective that they have become a permanent part of the site selection process, with businesses increasingly requiring a virtual visit before committing to a traditional site visit. The overwhelming consensus is that virtual site visits are here to stay.





Must 02

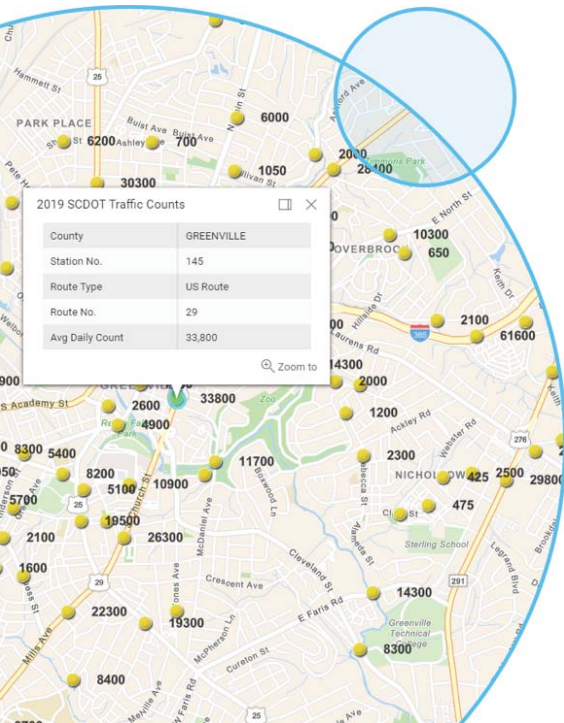
# Automated Integration Of Local Layers

# Why Local Data?

Research shows that businesses and site selectors come to an economic development organization's website specifically to find local data.

In most cases, the national or regional search was conducted using Esri data and Esri tools and the business has put together a list of communities it wants to investigate further. It does so by accessing the EDO's website anonymously, to look for suitable properties and determine if the community can meet its needs.

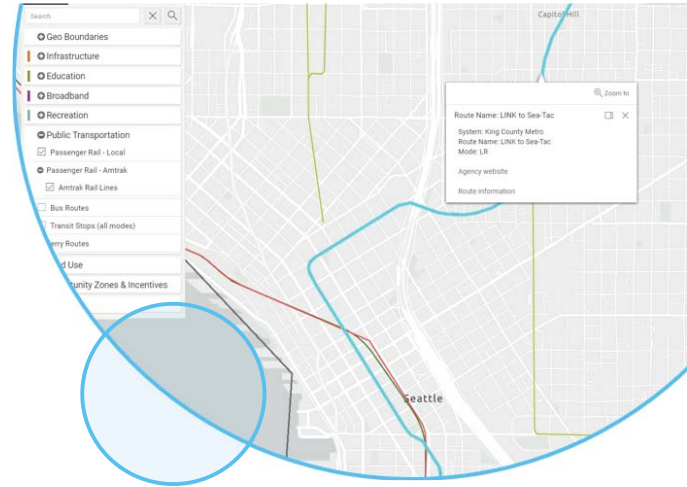
Providing the local data that businesses are seeking is a requirement to continue in the process. An EDO failing to include local data in their sites & buildings app risks being passed over without ever knowing they were under consideration.



Must 02: Automated Integration of Local Layers



The simplest and most effective way to display local data is in the form of layers. The possibilities are endless, because Esri GIS tools can quickly and easily produce attractive and informative layers from any data with a spatial component like an address or zip code. (See below for more discussion on how easy it is to create these local layers.)

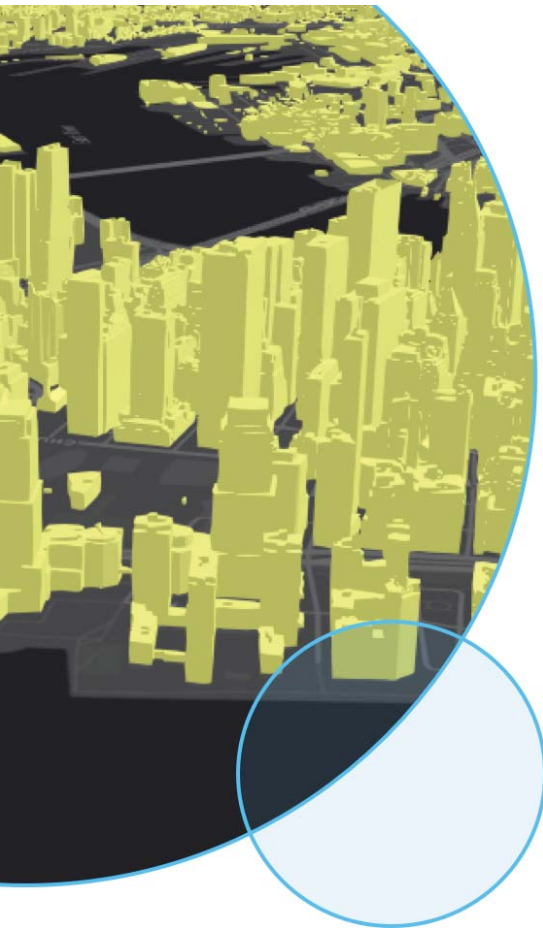


But for economic developers, much of the needed data is in the form of GIS layers already built by city, county, state and utility partners. Sewer and water infrastructure, land use and zoning, traffic counts, local transit – these are a few of the many examples of useful local data already in the form of GIS layers. And since virtually every government and utility in the country uses Esri for their GIS, economic developers using Esri-based apps like GIS WebTech’s Recruit can pull these layers into their online sites & buildings tool with just a few clicks. No need to get a shapefile produced, email it around, and hope it works. Through the Esri platform these critical local layers are added directly to your sites & buildings app with just a few clicks.

Must 02: Automated Integration of Local Layers







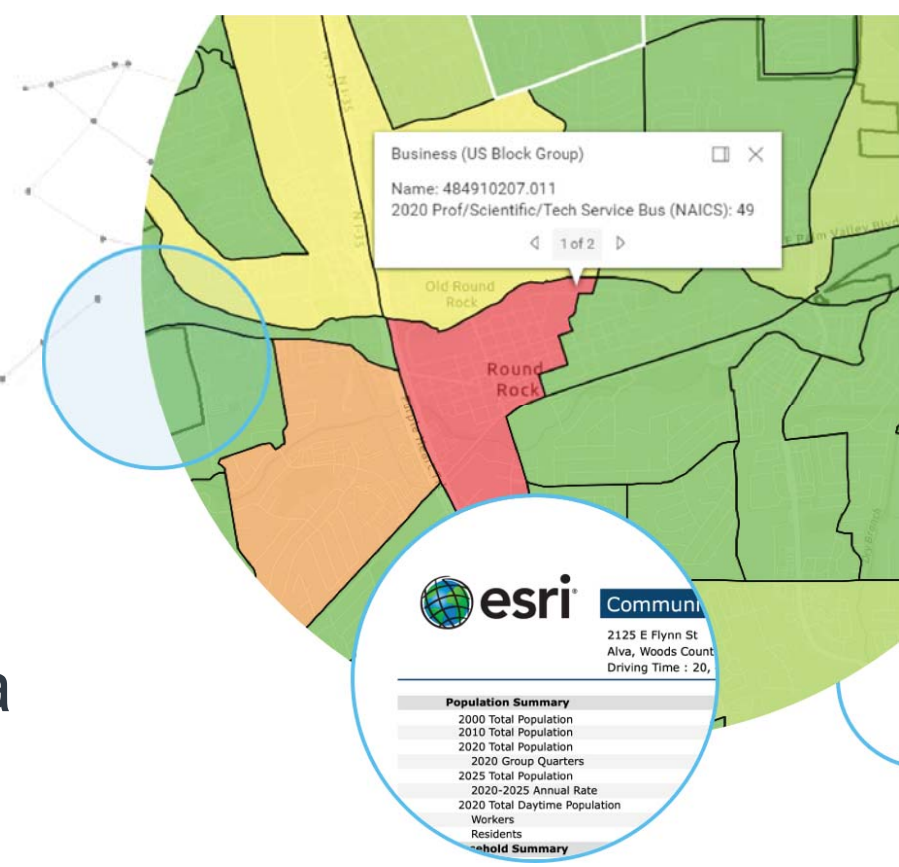
Once the layers are added, Recruit always accesses the source data, meaning you never need to worry about updating the layer if a new sewer line is added, zoning is changed, or a parcel changes hands.

The ease with which you can manage your own layers in Recruit allows you incredible flexibility. Have a sensitive local layer like high pressure natural gas lines or high voltage power lines that you want to include in a virtual site visit with an industrial prospect, but that you do not want to make public? No problem: Recruit lets you load that layer and keep it private, for your use only. It will not be visible in the public-facing portion of Recruit. You can even create password-protected accounts so qualified site selectors you are working with can have access to specific private layers that you select, without the public seeing them.



Must 03

# Real-Time Access To The Entire Esri Demographic Data Set





## Why Esri Data

Esri data is the overwhelming choice of businesses and site selectors, and no wonder: it is shown in independent studies to be the most accurate data available.

National and regional searches are almost always done using Esri tools and Esri data, so the Esri platform is probably how businesses and site selectors found your community in the first place.

Providing Esri data throughout your website simply makes the site selector's job easier. They don't have to guess about data quality, they understand immediately that your organization is serious in providing what they need, and they don't have to reconcile the data they get on your website with the data they used to find you. The Esri data they access on your website is perfectly consistent with the Esri data they used in their initial search.



Must 03: Real-Time Access to the Entire Esri Demographic Data Set





Esri data distributed across your website to highlight community strengths can be static between infrequent updates, but the Esri data within your sites & buildings app always needs to be the latest available. For example, you do not want site selectors to have a mismatch between newer data they used to find you and older data they get from your sites & buildings app when analyzing demographics around a property of interest. By providing real-time access, you are ensuring users are always getting the most recent Esri data.

Must 03: Real-Time Access to the Entire Esri Demographic Data Set



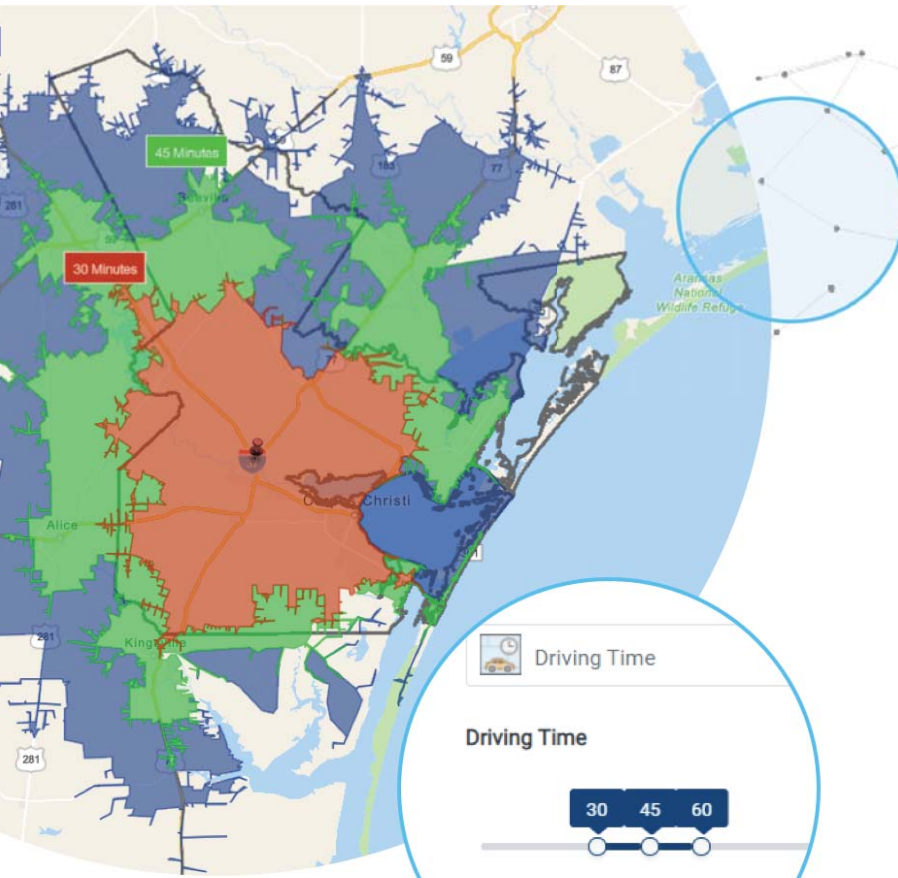
For similar reasons, it isn't enough to provide just a few common Esri demographic variables like households, incomes, and population. Ensure you provide access to the entire data set, which includes not just traditional census-driven data but large amounts of relevant business and economic data as well: consumer spending by category, consumer and household Tapestry segmentation, businesses by NAICS and SIC, and more.



Providing real-time access to the entire Esri data set ensures your prospects will find the detailed information they are looking for, that it will be the most recent and highest-quality data available, and that they know you are committed to making their decision easy.

Must 03: Real-Time Access to the Entire Esri Demographic Data Set





Driving Time

Driving Time

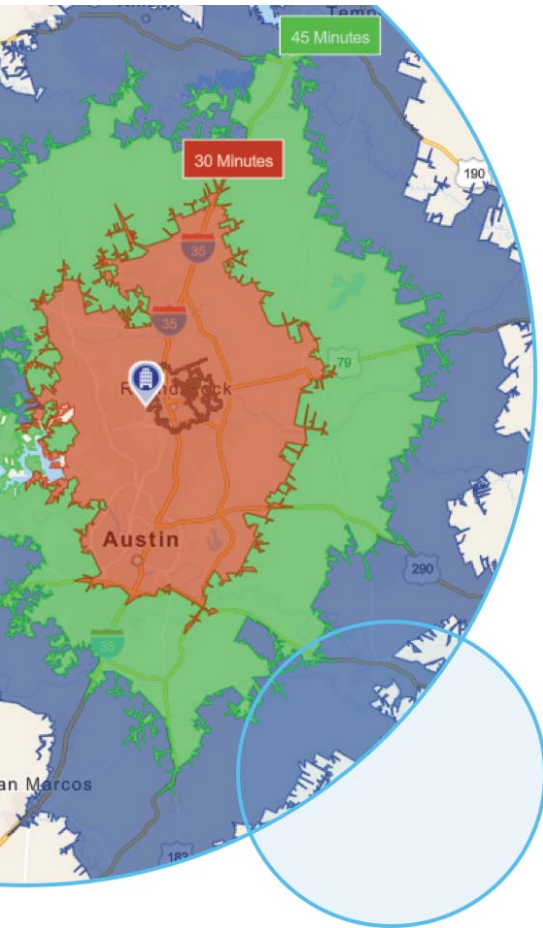
30 45 60

Show Fewer Options

Use Traffic

Must 04


# Real-Life Drive Times



## Why Is It Important?

Given the importance of traffic, you would expect all GIS apps for economic development to consider traffic in their drive time analysis, right? After all, traffic is a factor in everyday decisions about what time to leave and what route to take, and when you type an address into Waze or Google Maps the app will automatically compensate for traffic when providing directions and estimated drive times.

Unfortunately, you'd be mistaken if you thought all sites & buildings apps take traffic into account. In fact, only one does.

 Driving Time

**Driving Time**

30 45 60

**Show Fewer Options**

Use Traffic

Traffic Typical For:

Monday

**Direction**

Driving To Property

Only GIS WebTech's Recruit provides the ability to customize a drive time analysis for the day of the week, time of day, and direction of travel. Legacy apps still provide only an average drive time, making no distinction between driving inbound to a downtown location on Monday morning at rush hour and a leisurely Saturday afternoon drive.

With Recruit, users considering a property can select Monday morning at 8:00 AM and an inbound direction of travel, thereby taking traffic into account and producing a highly accurate analysis with highly accurate data. The average drive times in the older apps don't take traffic into account and can produce inaccurate results and inaccurate data.

Must 04: Real-Life Drive Times



Just as workforce has become a crucial issue in location decisions, evaluating workforce within a reasonable commute time has become one of the defining analyses for location decisions. Economic developers know this from receiving RFIs asking them to provide demographic and workforce data within drive time parameters for any properties they submit.



The ability to tailor drive times for custom analysis allows economic developers to provide data that is simply more accurate, giving them a leg up in a very competitive market.

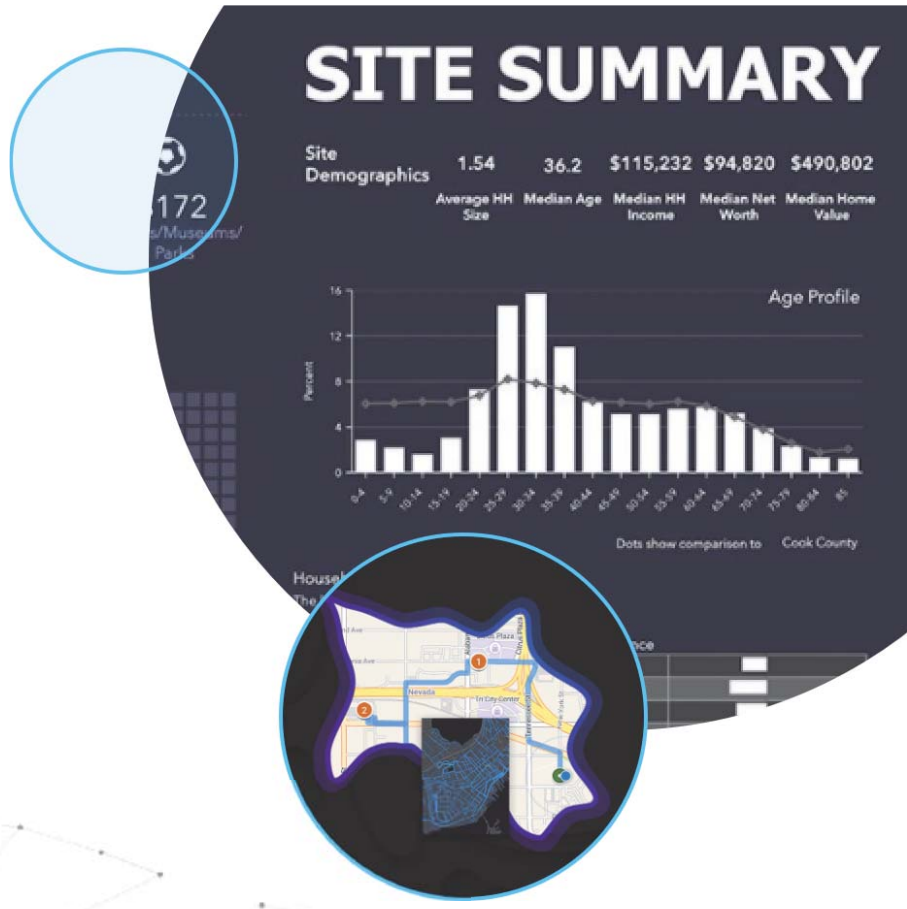
Must.04: Real-Life Drive Times

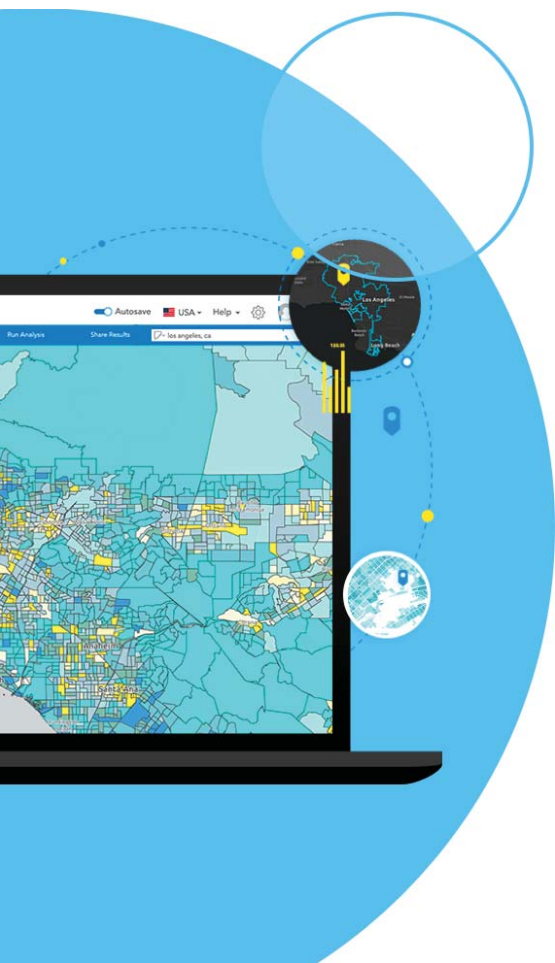




Must 05

# A Complete GIS





## Why You Need A Complete GIS Solution

GIS, like much of the software universe, has evolved to become simpler and simpler to use even as it has enabled more and more advanced capabilities, making it easy for non-specialists to produce GIS data and utilize core GIS functionality.

Leading economic developers, with no prior training in GIS, are now using GIS tools to take full advantage of the technology's incredible ability to tell a community's story with visualization of data, to conduct analyses favoring their communities, and to produce more effective RFI responses.

Must 05: A Complete GIS

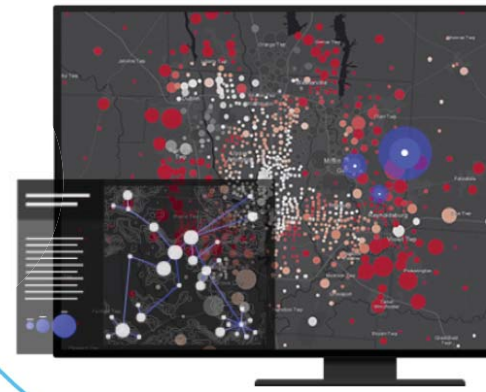


But to do this you need a complete GIS, including GIS tools that complement your online sites & buildings app and integrate with it seamlessly. There is only one such complete GIS designed for economic development: the package of GIS WebTech's Recruit and Esri's Business Analyst and ArcGIS Online:

**1** GIS WebTech's Recruit, built natively on the Esri platform, provides your public-facing sites & buildings app, with real-time access to the entire Esri data set, advanced functionality like customizable drive times, and the ability to host comprehensive virtual site visits, all in an intuitive, visually pleasing and simple user interface;

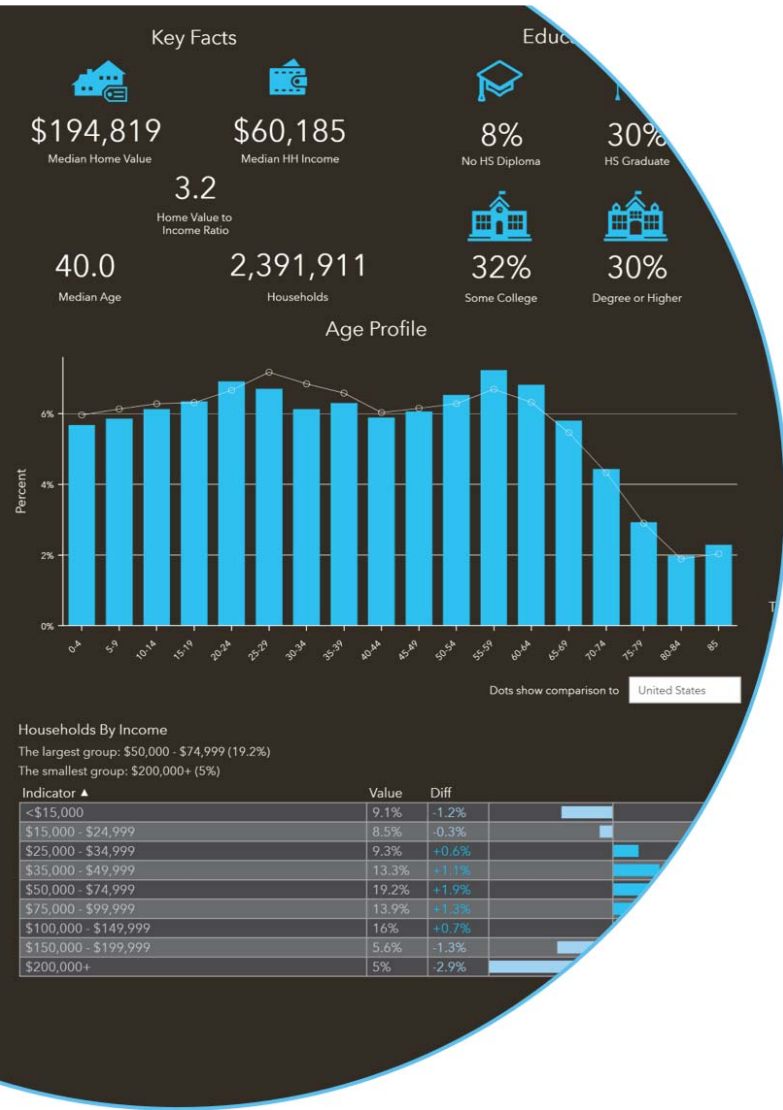
**2** Esri's ArcGIS Online is an online mapping platform, hosted by Esri in the cloud, enabling non-GIS experts to produce layers, interactive web maps for inclusion in your website, Story Maps, and much more;

**3** Esri's Business Analyst is an analytics package allowing you to produce stunning infographics, perform custom analysis, and supercharge your RFI response.



Must 05: A Complete GIS





This bundle provides a complete GIS that is simple, easy to use, and affordable. And because Esri is continuously developing the platform and GIS WebTech is constantly innovating, all three apps evolve continuously -- and in synch. With the complete GIS offered by GIS WebTech, economic developers can stay on the leading edge and utilize full GIS capabilities to make their communities stand out.

Must 05: A Complete GIS





## Conclusion

GIS technology is changing economic development rapidly, and economic developers that take full advantage of GIS capabilities have a competitive advantage. The integrated bundle of GIS WebTech's Recruit plus Esri's Business Analyst and ArcGIS Online form economic development's only complete GIS package, enabling economic developers simple and easy to use tools to stay on the leading edge.

Best of all, this bundle is incredibly affordable and can work with all budgets.

To see how GIS WebTech Technology can make your efforts more successful, contact Courtney Bridger at [courtney@giswebtech.com](mailto:courtney@giswebtech.com) or visit [www.giswebtech.com](http://www.giswebtech.com)



# REQUEST FOR BOARD ACTION

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**MEETING DATE:** August 10, 2021

**DEPARTMENT:** Community Development

**SUBJECT:** Economic Incentive Agreement with DM LITH, Inc. at 251 N. Randall Road

## EXECUTIVE SUMMARY

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DM LITH, Inc. is the intended operator, with DM LITH RE, LLC. the intended owner, of a new restaurant, Culver's, at 251 North Randall Road. There is currently a restaurant, Woods Creek Tavern, operating at this location; however, the current owner has entered into an agreement to sell the property to DM LITH RE, LLC. The new owner proposes replacing the existing operation, updating interior and exterior facilities, and adding drive-through facilities to the building a parking lot. They also applied for a Conditional Use Permit to install a drive-through and a public hearing on the petition is advertised to be held at the Planning and Zoning Commission meeting on August 16, 2021.

DM LITH, Inc. submitted an Economic Incentive Request and supporting documentation. They are requesting this incentive as the total project cost exceeds their top end budget. Due to significant construction cost increases in the last year along with supply chain issues causing costs to rise, the total cost of this project exceeds any of their previous projects. They feel the Village market on Randall Road will be strong over the long term and enable them to build sales over time to cover the additional debt burden. However, they are requesting assistance from the Village to help offset some of their costs in the short term.

Based upon the submitted Economic Incentive Request and a Village staff derived financial impact analysis, Village staff is proposing an incentive of a reimbursement of sixty percent of all sales taxes generated by the project to the property owner in any of the first twelve quarters of operation and fifty percent of all sales taxes above \$2,500 generated by the project in any quarter thereafter until the 10 years from the first reimbursement or until \$300,000 has been reimbursed.

## FINANCIAL IMPACT

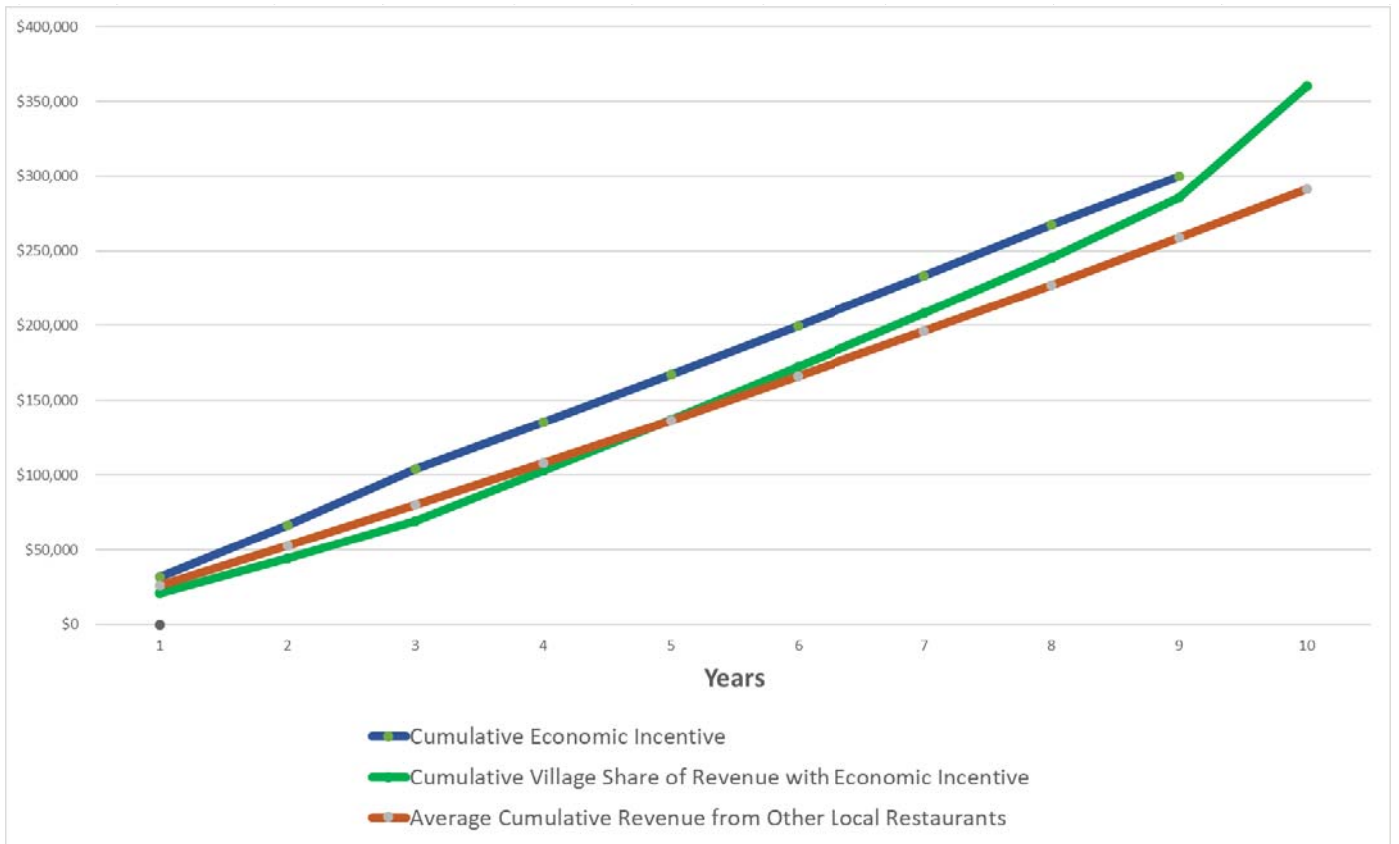
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Village staff has conducted a financial impact analysis of the proposed incentive. Given estimated sales figures from DM LITH, Inc., along with an agreed-upon conservative annual growth 2.5% per year, the proposed agreement would reach the \$300,000 limit in 2030, with cumulative Village revenue reaching \$285,550 in the same year. Comparing to the estimated average revenues of similar restaurants in the local area, Village revenues are estimated to reach \$258,817 in 2030, showing greater Village revenue under the proposed agreement when compared to average revenue from similar businesses.

Revenue from New Business is estimated and could be higher or lower than presented in the fiscal impact analysis. Higher revenues could result in the total \$300,000 incentive reimbursed before 2030 and higher Village share of revenue than shown for the reimbursement years. However, lower revenues could mean the total \$300,000 incentive would not be reimbursed by 2030 and Village share of revenue

could be lower than shown during the reimbursement years. Therefore, a term limit of 10 years to 2031 has been proposed to allow for potentially lower revenues.

Year	Revenue from New Business	Recovery Baseline	% Economic Incentive	Total Economic Incentive	Cumulative Economic Incentive	Village Revenue Share	Cumulative Village Share of Revenue with Economic Incentive	Average Revenue Estimate from Other Local Restaurants	Average Cumulative Revenue from Other Local Restaurants
2022	\$53,000	\$0	60%	\$31,800	\$31,800	\$21,200	\$21,200	\$26,000	\$26,000
2023	\$57,968	\$0	60%	\$34,781	\$66,581	\$23,187	\$44,387	\$26,650	\$52,650
2024	\$62,880	\$0	60%	\$37,728	\$104,309	\$25,152	\$69,539	\$27,316	\$79,966
2025	\$64,452	\$2,500	50%	\$30,976	\$135,285	\$33,476	\$103,015	\$27,999	\$107,965
2026	\$66,063	\$2,500	50%	\$31,782	\$167,066	\$34,282	\$137,297	\$28,699	\$136,665
2027	\$67,715	\$2,500	50%	\$32,607	\$199,674	\$35,107	\$172,404	\$29,417	\$166,081
2028	\$69,408	\$2,500	50%	\$33,454	\$233,128	\$35,954	\$208,358	\$30,152	\$196,233
2029	\$71,143	\$2,500	50%	\$34,321	\$267,449	\$36,821	\$245,180	\$30,906	\$227,139
2030	\$72,922	\$2,500	50%	\$32,551	\$300,000	\$40,371	\$285,550	\$31,678	\$258,817
2031	\$74,745	n/a	n/a	n/a	n/a	\$74,745	\$360,295	\$32,470	\$291,288
<b>Total</b>	<b>\$660,295</b>			<b>\$300,000</b>		<b>\$360,295</b>		<b>\$291,288</b>	



## ATTACHMENTS

1. Economic Incentive Request
2. Economic Incentive Agreement

## RECOMMENDED MOTION

Motion to approve an Economic Incentive Agreement between DM LITH, Inc. and the Village of Lake in the Hills.



## **Economic Incentive Request**

We are pleased to submit the following request for an economic incentive from the Village of Lake in the Hills for our proposed Culver's project on Randall Rd. The following information is intended to answer the questions in the LITH Economic Incentive Policy document. The first section addresses the questions regarding Submittal Requirements and the second section addresses how we meet the Evaluation Criteria as detailed in the document.

### **Submittal Requirements**

#### **1. Documentation indicating how the request meets the referenced Evaluation Criteria in this Policy.**

See section titled "Evaluation Criteria".

#### **2. Amount of applicant's investment in the project and projected revenues (e.g. total retail sales).**

The current budget for the Culver's restaurant project is estimated to be a total of \$4.5 million. The real estate acquisition costs are \$2,065,000, \$1,800,000 construction/renovation costs, \$550,000 in Fixtures, Furniture, and Equipment (FF&E), and \$85,000 in startup expenses.

Projected Revenues: Year 1, \$2,700,000; Year 2, \$2,950,000, Year 3 \$3,200,000

The group average for our Culver's franchise group is approximately \$2,700,000 which is our projected first year sales. Typically, we see very strong growth in year 2 and year 3. Our recent new location in St Charles on Randall Rd grew over \$500,000 in year 2 and 3 combined.

#### **3. Level and type of incentive requested.**

We are requesting this incentive as the total project cost exceeds our top end budget by \$500,000. Due to significant construction cost increases in the last year along with supply chain issues causing FF&E to rise, the total cost of this project exceeds any of our previous projects by over \$1,000,000. We feel the LITH market on Randall Rd will be strong over the long term and know that we can build sales over time to cover the additional debt burden. However, we are requesting assistance from the Village to help offset some of our costs in the short term (the first 3 years or so). We are asking for a total incentive of \$350,000 to help defray some of these additional costs.

#### **4. Business Plan including projected expenses and revenues and detailed development pro forma.**

As mentioned in #3, we expect year 1 sales to be \$2.7 million and grow that to \$3.2 million by the end of year 3. We expect 3% to 5% growth on an annual basis each year after that. Our group's history has shown that we can grow sales consistently as we deepen our roots into the community. Culver's, as a brand, is committed to local engagement in the schools, churches, sports teams, park district, library, etc. We do this through fundraisers, coupons supporting events, free or highly discounted scoops of custard, and other ways to show our support for key community organizations.

## **5. Plans and drawings showing the proposed project.**

The plans and drawings will be submitted within the next few weeks once we have the requested information back from Culver Franchising System (CFS). In the interim, we have included the site plan for one of our other pending projects in another community. In addition, we have included standard building elevations of our prototype building. Given that this will be a substantial remodel of the existing structure, the final design will likely contain many of the elements in the prototype but may vary based on overall expense needed to accomplish a similar look.

## **6. The Village may require additional documentation if deemed necessary including financial statements.**

We are pleased to provide additional information as requested by the Village.

### **Evaluation Criteria**

#### **1. Level of benefit to the Village and other taxing bodies.**

Given our initial revenues and our expected sales growth, we would expect this to provide significant long-term benefit to the Village.

#### **2. Level of circumstances with the property or building characteristics that create challenges to development/redevelopment.**

As mentioned in #2 in the previous section, the project costs will be far more substantial than any of our past projects. Construction costs across the industry are significantly higher and converting the current building to our brand standard will be costly.

#### **3. Number and quality of jobs produced.**

Our average staffing roster is about 40 total employees per restaurant. This would include approximately 15 full time staff and 25 part time team members. We pay well above the state minimum wage and provide a comprehensive benefits plan that includes health, dental, vision, 401K match, PTO, short and long-term disability, and holiday pay.

#### **4. The applicant's level of evidence showing that but for financial assistance from the Village, the project would not otherwise be carried out.**

As stated in earlier answers, the project budget is \$500,000 beyond our top end budget. We are excited to be a long-term member of the LITH business community and are willing to go a little above that budget but are asking the Village to help shrink that gap.

#### **5. The ability of the development to spur additional economic development in the area.**

Culver's has become a strong national brand with a very strong presence in the Chicago market. The traffic and visits that we generate will help all businesses in the area continue to gain exposure to the LITH consumer.

**6. The impact of a proposed development on the existing businesses within the Village.**

Culver's has become a strong national brand with a very strong presence in the Chicago market. The traffic and visits that we generate will help all businesses in the area continue to gain exposure to the LITH consumer.

**7. Level of applicant's ability to construct, operate, and maintain the proposed project based upon past experience, general reputation, creditworthiness and financial strength.**

We are the owners of MD Restaurant Group. We have a total of 10 Culver's restaurants in the Chicago suburbs including neighboring Crystal Lake on Pingree Rd. We have been operating Culver's restaurants for 17 years and have built a strong leadership team and operating expertise. We have demonstrated consistent, long-term sales growth in each of our locations which has generated continued job growth, wage growth, revenue growth, and high community in all our restaurants. We have a strong reputation in each of these 10 communities and operate each restaurant profitably while at the same time continuing to improve the lives of our team members through increased salary, wage, and benefits over time.

**8. Level of compliance with any Design Guidelines as described in the Comprehensive Plan.**

We believe that our project will comply with the key design guidelines of the Village.

**9. Village licenses granted to the applicant that enhances their revenues (e.g. video gaming).**

Not applicable to this project.

## ECONOMIC INCENTIVE AGREEMENT

This **ECONOMIC INCENTIVE AGREEMENT** (this “**Agreement**”) is entered into as of the \_\_\_\_ day of August, 2021 by and between DM LITH, Inc., a corporation (“**DMLITH**”), and the **VILLAGE OF LAKE IN THE HILLS**, an Illinois municipal corporation (the “**Village**”). **DMLITH** and the Village are hereinafter individually sometimes referred to as a “**Party**” and collectively as the “**Parties.**”

### RECITALS

- A. DMLITH is the intended operator of a restaurant at 251 North Randall Road, Lake in the Hills, Illinois.
- B. The Village’s corporate authorities have determined and made the following findings:
- (1) The Project consists of replacing the existing operation, updating interior and exterior facilities, and adding drive-through facilities for an existing restaurant operation within the Village in a building that is currently occupied but is currently for sale;
  - (2) The Project pertains to replacement business activity, where the property is currently being used, however, the property has been continuously underutilized and under-occupied for more than one year;
  - (3) The Project is expected to create and to retain job opportunities within the Village;
  - (4) The Project will serve to further develop areas adjacent to the Property;
  - (5) The Project will strengthen the commercial sector of the Village;
  - (6) The Project will enhance the tax base of the Village;
  - (7) Any taxes upon which any rebate under this Agreement are based are new sales and would not have been previously paid to any other unit of local government;
  - (8) This Agreement is in the best interest of the Village;
  - (9) The Project would not be possible without this Agreement;
  - (10) That DMLITH has been reviewed and determined to meet high standards of creditworthiness and financial strength; and
  - (11) The powers being exercised hereunder by the Village are in furtherance of and essential to the public interest.

C. The Village has agreed to reimburse DMLITH for a portion of the costs DMLITH incurred related to the acquisition of the Property and the development and construction of the Project.

**NOW, THEREFORE**, in consideration of the foregoing recitals, the covenants and agreements hereinafter set forth and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties agree as follows:

**ARTICLE 1. RECITALS.** The recitals set forth above are accurate and are expressly incorporated into this Agreement by this reference thereto as if fully set forth in this Article 1.

**ARTICLE 2. AUTHORITY.** This Agreement is entered into by the Village pursuant to 65 ILCS 5/8-11-20, its home rule authority, and all other applicable law.

**ARTICLE 3. DEFINITIONS.**

- (1) **Commencement Date.** March 1, 2022.
- (2) **Force Majeure.** Fire or other casualty, condemnation of a portion of the Property which materially affects retail sales at the Project, strike, lock-out, civil disorder, war, terrorist acts directly against the Property, acts of God, unforeseeable adverse weather conditions, any temporary or permanent injunction or other court order, or any other cause beyond any Party's reasonable control.
- (3) **Payment Date.** Each April 30<sup>th</sup>, July 31<sup>st</sup>, October 31<sup>st</sup> and January 31<sup>st</sup> after the Commencement Date until the Termination Date; provided, however that the first Payment Date shall be the first of the aforesaid dates to occur after the last day of the sixth (6th) full calendar month of these dates following the Commencement Date.
- (4) **Project.** A restaurant located at 251 North Randall Road, Lake in the Hills, Illinois.
- (5) **Quarter.** Each three (3) calendar month period during the Reimbursement Period ending on March 31<sup>st</sup>, June 30<sup>th</sup>, September 30<sup>th</sup> and December 31<sup>st</sup>.
- (6) **Quarterly Payment.** Sixty percent (60%) of all Sales Taxes generated by the Project in any of the first twelve (12) Quarters and subsequently received by the Village and fifty percent (50%) of all Sales Taxes above \$2,500 generated by the Project in any Quarter thereafter and subsequently received by the Village until the Termination Date or until the Reimbursement Amount has been reimbursed.
- (7) **Reimbursement Amount.** The amount of \$300,000, if the conditions of full reimbursement are met, or a lesser amount, if termination occurs prior to the full reimbursement being issued. Such amount shall not bear interest.

- (8) **Reimbursement Period.** The period of time from the Commencement Date to the Termination Date.
- (9) **Remittance Statement.** A written statement prepared by the Village setting forth the amount of sales tax remitted to DMLITH concurrently therewith and the calculation of the amount received by the Village from the State and the balance of funds remaining to be paid.
- (10) **Sales Taxes.** That net portion of taxes imposed by the State as a retailers' occupation tax, a service occupation tax, a use tax, service use tax, or any other so-called "sales tax" or similar tax that may be imposed by the State, or any governmental agency or body created under the laws of the State, and available for distribution to the Village. **UNDER NO CIRCUMSTANCES SHALL SALES TAXES INCLUDE ANY TAXES COLLECTED FROM ELIGIBLE SALES TAX WHICH ARE DUE IN ANOTHER JURISDICTION(S).**
- (11) **State.** The State of Illinois, including, as the context requires, the Illinois Department of Revenue or any successor agency which may assume its responsibilities with regard to the collection and distribution of Sales Taxes to the Village.
- (12) **Termination Date.** The date which is the earliest of the following to occur: (1) the date the final distribution of the full Reimbursement Amount is made to DMLITH; (2) the date DMLITH ceases commercial operations at the Project for a period of ninety (90) days; or (3) one hundred twenty (120) months from last day of the first month in which a reimbursement was earned.

#### **ARTICLE 4. REIMBURSEMENT TO DMLITH**

A. Subject to the terms and conditions of this Agreement, the Village agrees to reimburse the Reimbursement Amount to DMLITH for a portion of DMLITH's costs to undertake the construction of the Project, including, without limitation, any necessary or desirable on-site or off-site improvements. In furtherance of the foregoing, and provided DMLITH has delivered to the Village the documentation described in Article 5, the Village shall make a Quarterly Payment to DMLITH on each Payment Date from and after the Commencement Date until the Termination Date based solely on the amount of Sales Taxes generated by the Project that were actually received by the Village during the Quarters within the Reimbursement Period and shall concurrently deliver to DMLITH a Remittance Statement reflecting such Quarterly Payment. Such amounts shall be payable solely from, and to the extent of, Sales Taxes generated from the Project and collected by the State and remitted to the Village during the Reimbursement Period. The Quarterly Payments shall be sent to DMLITH at the address set forth in Article 8.

B. From and after the first Payment Date and continuing until the Termination Date, the Village shall make disbursements of Sales Taxes received from the State in accordance with the following provisions:



- (i) All monies paid to DMLITH by the Village shall be applied to the Reimbursement Amount then remaining unreimbursed.
- (ii) The Village shall have the right in its sole and absolute discretion to prepay from any legally available source the Reimbursement Amount in any amount or amounts at any time or times without penalty.

**C. DMLITH ACKNOWLEDGES AND AGREES THAT THE REIMBURSEMENT AMOUNT SHALL BE PAYABLE SOLELY FROM THE SALES TAXES COLLECTED AND REMITTED TO THE VILLAGE BY THE STATE FROM SALES OR OTHER ACTIVITY FOR WHICH SALES TAXES ARE REQUIRED TO BE PAID OCCURRING AT THE PROJECT DURING THE REIMBURSEMENT PERIOD. DMLITH FURTHER ACKNOWLEDGES THAT THE VILLAGE'S OBLIGATIONS TO PAY THE REIMBURSEMENT AMOUNT SHALL CONSTITUTE LIMITED OBLIGATIONS OF THE VILLAGE AND THAT SAID OBLIGATIONS DO NOT NOW AND SHALL NOT CONSTITUTE A GENERAL INDEBTEDNESS OF THE VILLAGE WITHIN THE MEANING OF ANY CONSTITUTIONAL OR STATUTORY PROVISION, AND SHALL NOT CONSTITUTE OR GIVE RISE TO A PECUNIARY LIABILITY OF THE VILLAGE OR A CHARGE AGAINST ITS GENERAL CREDIT OR TAXING POWER AND SHALL NOT BE SECURED BY THE FULL FAITH AND CREDIT OF THE VILLAGE.**

D. The Village shall take such actions in each year during the Reimbursement Period to appropriate funds pursuant to Illinois law to satisfy its obligations to DMLITH hereunder.

E. During the Reimbursement Period, if the State statutory rates or mechanisms for the levy, collection, and remittance to the Village of Sales Taxes become inconsistent with this Agreement, then the Village and DMLITH shall cooperate in good faith to identify alternate mechanisms to accomplish the intent of this Agreement within the Village's powers.

**ARTICLE 5. DOCUMENTATION OF SALES.**

A. During the Reimbursement Period, DMLITH shall provide the Village with certified copies (i.e., certified by a representative of DMLITH) of all ST-1 and/or ST-2 sales tax reporting forms, or any successor reporting forms, filed with the State relating to the operation of the Project promptly after filing same with the State.

B. DMLITH shall permit independent verification by the Village of the ST-1 and/or ST-2 reports filed by DMLITH with the State. The Parties shall cooperate with each other and take all other reasonable actions to ensure accurate calculation of the Quarterly Payment.

C. To the maximum extent permitted by law, the Village shall maintain the confidentiality of the information contained in the ST-1 and/or ST-2 reports filed with the Department and provided by DMLITH to the Village and the Sales Tax revenue generated by the Project, but shall be permitted to disclose such information to such Village employees and consultants as the Village, in its sole discretion, deems appropriate in order to monitor compliance and audit this Agreement. To the extent expressly permitted by law, the Village shall refuse to disclose

information received from the State or otherwise contained in such ST-1 and/or ST-2 or similar reporting form pursuant to the applicable exemptions of the Illinois Freedom of Information Act or similar statute, and in the event the Village receives a request pursuant to the Illinois Freedom of Information Act or similar statute which the Village determines to not be fully exempt, then the Village shall notify DMLITH prior to the Village providing such information, and provide DMLITH with a copy of the request. Nothing provided herein shall impair the Village's obligation to disclose the information, subject to the Village's unilateral discretion. Nothing in this paragraph is intended to provide a right to notice on behalf of DMLITH or otherwise limit or restrict the Village's obligation to disclose information pursuant to a valid Freedom of Information Act request for which no exemption applies. Following the close of each fiscal year of the Village, the Village shall provide a certified copy (i.e., certified by a representative of the Village) of an accounting of the receipts of Sales Taxes and payment to DMLITH.

#### **ARTICLE 6. SALES TAX RESPONSIBILITY & INDEMNIFICATION.**

DMLITH is solely responsible for all aspects of accounting, financial management, and tax reporting for the operation of its business at the Property, including without limitation the proper determination of its tax situs. DMLITH warrants that nothing in this Agreement violates 65 ILCS 5/8-11-21 or any other law or contractual obligation. The Village has no responsibility to provide accounting, tax, or other financial determinations, recommendations, or advice to DMLITH. DMLITH agrees to indemnify, defend, and hold harmless the Village from any dispute, liability, and/or penalty involving a third party arising out of or related to this Agreement.

#### **ARTICLE 7. TERM.**

On the Termination Date, this Agreement, subject to the provisions below, shall be and become null and void and of no further effect whatsoever, without further action on the part of the Village or any other person, firm or corporation. Notwithstanding the foregoing, this Agreement shall remain in effect for purposes of audit, final accounting, and payment and for purposes of enforcement actions hereon.

#### **ARTICLE 8. MUTUAL ASSISTANCE.**

The Village and DMLITH agree to do all things necessary or appropriate to carry out, and to aid and assist each other in carrying out, the terms of this Agreement and in implementing the Parties' intent, as reflected by the terms of this Agreement, including, without limitation, the giving of such notices, the holdings of such public hearings, the enactment by the Village of such resolutions and ordinances and the taking of such actions as may be necessary to enable the Parties' compliance with the terms and provisions of this Agreement and as may be necessary to give effect to the terms and provisions of this Agreement and the Parties' intentions as reflected by the terms of this Agreement. No waiver of Village regulations shall be inferred from this Agreement, except as specifically set forth.

**ARTICLE 9. NOTICES.**

Any notice to be given or served hereunder or under any document or instrument executed pursuant hereto shall be in writing and shall be (i) delivered personally, with a receipt requested therefor; or (ii) sent by telecopy facsimile; or (iii) sent by a recognized overnight courier service; or (iv) delivered by United States registered or certified mail, return receipt requested, postage prepaid. All notices shall be addressed to the Parties at their respective addresses set forth below, and the same shall be effective (a) upon receipt or refusal if delivered personally or by telecopy facsimile; (b) one (1) business day after depositing with such an overnight courier service; or (c) two (2) business days after deposit in the mail, if mailed. A Party may change its address for receipt of notices by service of a notice of such change in accordance herewith. All notices by telecopy facsimile shall be subsequently confirmed by U.S. certified or registered mail.

All notices to the Village shall be sent to:

Village of Lake in the Hills  
600 Harvest Gate  
Lake in the Hills, Illinois 60156  
Attn: Village Administrator  
Fax: (847) 960-7415

With copy to:

Brad Stewart  
Zukowski, Rogers, Flood & McArdle  
50 Virginia Street  
Crystal Lake, Illinois 60014

All notices to DMLITH shall be sent to:

DM LITH, Inc.  
1750 E Golf Road, Suite 320  
Schaumburg, Illinois 60173  
Attn: President

**ARTICLE 10. DEFAULT/REMEDIES.**

The failure of a Party to materially comply with its obligations under this Agreement or the material breach of any representation or warranty of a Party hereunder shall constitute a default by such Party. The Party claiming the occurrence of such default shall notify the other Party of same and shall demand performance by giving the defaulting Party a thirty (30) day written notice specifying the default and this Agreement shall, after such thirty (30) day period, automatically terminate or the non-defaulting Party may file an action for specific performance unless, within such thirty (30) day period (a) the defaulting Party, (i) cures such default, or (ii)

commences action to cure such default and completes the curing of such default within a reasonable time or (b) the Party claiming default, by written notice to the defaulting Party, either waives the default or grants the defaulting Party a longer period to cure.

In the event: (i) the Village fails to make payments due to DMLITH or to materially perform its non-monetary obligations as and when herein provided; and (ii) within thirty days after the occurrence of such default the Village fails to commence performance, DMLITH may seek to compel the Village to perform such obligations and/or to make such payments or, with respect to any monetary obligation, to seek damages for breach of contract limited to an amount equal to the amounts due to DMLITH hereunder.

In the event legal action or other proceeding is brought for enforcement of this Agreement or with respect to an alleged breach, default or misrepresentation, the successful or prevailing Party shall be entitled to recover from the non-prevailing Party its reasonable attorneys' fees and related costs (including any fees and costs incident to appeals) in addition to any other relief hereunder to which such Party may be entitled.

#### **ARTICLE 11. MISCELLANEOUS.**

- (a) **Governing Law & Proper Forum.** This Agreement shall be governed by the laws of the State of Illinois. The Parties agree that any dispute arising out of this Agreement shall be exclusively submitted to the Twenty-Second Judicial Circuit of McHenry County, Illinois where the Parties agree that they are subject to personal jurisdiction.
- (b) **Integration.** This Agreement contains the entire agreement of the Parties with respect to the transactions contemplated by this Agreement. All prior agreements, negotiations, and understandings are expressly merged herein and superseded hereby. All exhibits of this Agreement are expressly incorporated herein by this reference thereto.
- (c) **Severability.** Each section of this Agreement, and each sentence, clause or phrase contained in such section, shall be considered severable and if, for any reason, any section, or any sentence, clause or phrase contained in such section, is determined to be invalid or unenforceable, such invalidity or unenforceability shall not impair the operation or affect enforceability or validity of the remaining portions of this Agreement.
- (d) **Amendment.** This Agreement may be amended by, and only by, a written instrument authorized in accordance with law and signed by both Parties.
- (e) **Successors and Assigns.** This Agreement shall inure to the benefit of, and be binding upon: (i) the Village and any successor corporate authorities of the Village; and (ii) DMLITH. This Agreement may not be assigned by DMLITH to any grantee, lessee, assign or other third party.

- (f) **Effectiveness of this Agreement.** Nothing contained in this Agreement shall be deemed or construed to impose any duty or obligation upon DMLITH to acquire the Property, to undertake the development and construction of the Project or any other on-site or off-site improvements or to operate the Project, it being expressly acknowledged and agreed, however, that the Village's obligations to DMLITH hereunder are premised and conditioned on the generation of Sales Taxes from the Project as the sole source of reimbursement hereunder.
  
- (g) **Construction.** Section or other headings contained in this Agreement are for reference purposes only and shall not affect in any way the meaning or interpretation of this Agreement. Both Parties have reviewed this Agreement and had the opportunity to review its terms with legal counsel, and the Agreement is considered to be mutually drafted so that no presumptions regarding ambiguity shall be construed against or in favor of either Party.
  
- (h) **Time is of the Essence.** Time is of the essence of this Agreement and of each and every provision hereof.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the dates set forth below their respective signatures, to be effective as of the Effective Date.

**VILLAGE OF LAKE IN THE HILLS,  
an Illinois municipal corporation**

**DM LITH, Inc.**

By \_\_\_\_\_  
Ray Bogdanowski, Village President

By \_\_\_\_\_  
Charles Martin, President

ATTEST

ATTEST

By: \_\_\_\_\_  
Shannon DuBeau, Village Clerk

By: \_\_\_\_\_  
Jim DiVerde, Secretary

[SEAL]

[SEAL]

STATE OF ILLINOIS)

) SS.

COUNTY OF McHENRY)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Ray Bogdanowski and Shannon DuBeau personally known to me to be the, President and Clerk respectively, of the VILLAGE OF LAKE IN THE HILLS, and personally known to me to be the same persons whose names are subscribed to the foregoing Economic Incentive Agreement, appeared before me this day in person and severally acknowledged that as such President and Clerk they signed and delivered said Agreement as such President and Clerk and caused the corporate seal of said Village to be affixed thereto, pursuant to authority given by the Board of Trustees of said Village, as their free and voluntary act and as the free and voluntary act and deed of said Village, for the purposes therein set forth.

Given under my hand and official seal, this \_\_\_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public



STATE OF \_\_\_\_\_ )  
 ) SS.  
COUNTY OF \_\_\_\_\_ )

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that \_\_\_\_\_, of DM LITH, Inc., who is personally known to me to be the \_\_\_\_\_ of said corporation, appeared before me this day in person and acknowledged that he/she signed and delivered the foregoing Economic Incentive Agreement as his/her own free and voluntary act and as the free and voluntary act of said corporation for the purposes therein set forth.

Given under my hand and official seal this \_\_\_ day of \_\_\_\_\_, 2021.

\_\_\_\_\_  
Notary Public