

VILLAGE OF BRADLEY

RESOLUTION NO. R-9-16-3

RESOLUTION APPROVING A SALES TAX SHARING AGREEMENT  
BETWEEN THE VILLAGE OF BRADLEY, ILLINOIS  
AND HOVE BUICK GMC INC

ADOPTED BY THE  
BOARD OF TRUSTEES  
VILLAGE OF BRADLEY

This 26 day of SEPTEMBER, 2016

CERTIFICATE:



Michael J. LaGesse, Village Clerk

**RESOLUTION NO. R-9-16-3**

**RESOLUTION APPROVING A SALES TAX SHARING AGREEMENT  
BETWEEN THE VILLAGE OF BRADLEY, ILLINOIS  
AND HOVE BUICK GMC INC**

**WHEREAS**, the Village of Bradley ("Village") is an Illinois municipal corporation, organized and existing pursuant to the Illinois Municipal Code, 65 ILCS 5/1-1-1 et seq., located in the County of Kankakee, State of Illinois; and

**WHEREAS**, Hove Buick GMC, Inc., ("HOVE"), as an economic incentive to purchase an additional parcel of real estate in order to improve that parcel and to enhance the sales of automobiles at its facility located in the Village, desires a Sales Tax Sharing Agreement with the Village subject to the terms contained in Exh. A; and

**NOW THEREFORE, BE IT RESOLVED** by the President and Board of Trustees of the Village of Bradley, as follows:

**Section 1. Recitals Incorporated.** The above recitals are incorporated herein by reference as though fully set forth.

**Section 2. Execution of Agreement.** The Village President is authorized to sign, execute and deliver all documents necessary to become party to the attached Sales Tax Sharing Agreement.

**Section 3. Severability and Repeal of Inconsistent Ordinances and Resolutions.** If any section, paragraph, clause or provision of this Resolution shall be held invalid, the invalidity thereof shall not affect any of the other provisions of this Resolution. All existing resolutions of the Village of Bradley are hereby repealed insofar as they may be inconsistent with the provisions of this Resolution.

**Section 4. Effective Date.** This Resolution shall be in full force and effect from and after its passage and approval as provided by law.

PASSED this 26 day of SEPTEMBER, 2016.

TRUSTEES:

Jerry Balthazor:	Aye - <u>   </u>	Nay - <u>   </u>	Absent - <u>✓</u>
Robert Redmond:	Aye - <u>✓</u>	Nay - <u>   </u>	Absent - <u>   </u>
Lori Gadbois:	Aye - <u>✓</u>	Nay - <u>   </u>	Absent - <u>   </u>
Eric Cyr:	Aye - <u>   </u>	Nay - <u>   </u>	Absent - <u>✓</u>
Melissa Carrico:	Aye - <u>✓</u>	Nay - <u>   </u>	Absent - <u>   </u>
Michael Watson:	Aye - <u>✓</u>	Nay - <u>   </u>	Absent - <u>   </u>

Bruce Adams: Aye -     Nay -     Absent -    

TOTALS: AYE - 4 NAY - 0 ABSENT - 2

APPROVED this 26 day of SEPTEMBER, 2016





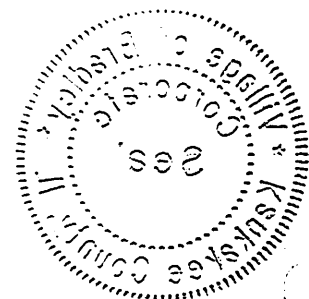
Bruce Adams, President of the Board of Trustees of the Village of Bradley

ATTEST:



Michael J. LaGessee, Village Clerk

*[Faint handwritten signature]*



*[Faint handwritten signature]*

**SALES TAX SHARING AGREEMENT BETWEEN THE  
VILLAGE OF BRADLEY, ILLINOIS AND HOVE BUICK GMC, INC.**

**THIS SALES TAX SHARING AGREEMENT** is made and entered into as of the \_\_\_\_\_ day of \_\_\_\_\_, 2016, by and between the VILLAGE OF BRADLEY, an Illinois Municipal Corporation, hereinafter referred to as "BRADLEY" and HOVE BUICK GMC, INC., hereinafter referred to as "Hove"

**WHEREAS, BRADLEY** is authorized pursuant to the provisions of the Constitution and statutes of the State of Illinois to assist in the redevelopment of areas of BRADLEY by assuring the continuation of businesses which will increase the collection of Retailer's Occupation Tax which will enhance the tax base and economic vitality of BRADLEY; and

**WHEREAS, it is the desire of BRADLEY** to assure that business activity will continue to exist within the municipal boundaries; and

**WHEREAS, HOVE** desires to purchase an additional parcel of real estate in order to improve that parcel and to enhance the sales of automobiles at its facility located in BRADLEY.

**WHEREAS, the amount of sales tax distributable to BRADLEY** from the Local Government Tax Fund which is attributable to retail sales by HOVE will be one (1) percent of those taxable items sold by HOVE; and

**WHEREAS, as an economic incentive for HOVE** to purchase and operate a retail automobile and truck sales facility within the boundaries of the VILLAGE OF BRADLEY, BRADLEY as agreed to share the benefits realized by BRADLEY" as the result of those sales at the location of the automobile and truck dealership; and

**NOW, THEREFORE, FOR GOOD AND VALUABLE CONSIDERATION, THE RECEIPT AND SUFFICIENCY OF WHICH ARE HEREBY ACKNOWLEDGED IT IS AGREED AS FOLLOWS:**

**Section 1. Incorporation of Preamble and Exhibits.**

The preamble to this Agreement is hereby declared to be the findings of the Parties and that said Preamble is hereby incorporated herein as if full set forth in this Section 1.

**Section 2. Conditions Precedent to BRADLEY Obligations**

All obligations on the part of BRADLEY: pursuant to this Agreement are subject to the satisfaction of the following conditions by HOVE on or before the payment of the initial incentive payment by BRADLEY provided for in Section 3 below, or as otherwise specifically hereinafter stated:

- a. **Demonstration that HOVE or its designee has purchased from BRADLEY that parcel of real estate which is adjacent to and contiguous with the parcel or real estate which is currently occupied by its automobile/truck dealership located in BRADLEY.**
- b. **Proof and verification provided by HOVE of the amount of Retailers Occupation Tax paid by HOVE for each year for which reimbursement is sought.**
- c. **The execution by the corporate entity of HOVE, or its successors or assigns of any necessary documents and releases authorizing the State of Illinois Department of Revenue to release to the VILLAGE OF BRADLEY copies of the Retailers Occupation Tax Returns filed by HOVE for all sales activity occurring in the VILLAGE OF BRADLEY and such further documents as are necessary for the release of information to verify the payments of Retailers Occupation Tax paid by HOVE for its retail sales occurring in the VILLAGE OF BRADLEY.**

### **Section 3. Obligations of BRADLEY to HOVE.**

**The VILLAGE OF BRADLEY receives from the State of Illinois Department of Revenue a distribution of Retailers Occupation Tax which is attributable to those payments made by the Retailers located in the VILLAGE OF BRADLEY who submit Retailers Occupation tax payments to the State of Illinois. The payments are referred to in this agreement as the "Local Share".**

- a. **BRADLEY shall pay to HOVE the total sum of THREE HUNDRED FIFTY THOUSAND and no/100s Dollars (\$350,000.00) Said payment shall be made as follows:**

**On an annual basis, after receipt of the Retailers Occupation Tax Local Share from the State of Illinois Department of Revenue and after verification of the amounts actually paid by HOVE to the State of Illinois, Department of Revenue, VILLAGE OF BRADLEY shall disburse to HOVE a portion of the Retailers Occupation Tax Local Share collected and paid to BRADLEY. BRADLEY shall pay to HOVE the sum of Thirty Five Thousand and no/100s Dollars (\$35,000.00) for a period of ten years for the purpose of redeveloping the parcel of real estate being purchased by HOVE.**

- b. **Said payments shall be made on an annual basis without interest and shall be paid on or about the 1<sup>st</sup> day of December, beginning on December 1, 2017 and continuing through December 1, 2026 subject to the terms below.**
- c. **The parties agree that Hove's current sales generate at least One Hundred Thousand Dollars of revenue for the Village of Bradley based upon Retailers Occupation Tax paid to the State of Illinois in the amount of Six**

Hundred and Twenty Five Thousand and no/100s Dollars, which shall be referred to herein as "base amount" In the event that the payments made by HOVE on any annual basis from September 1 of one year to September 1 of the following year are less than the base amount the annual payment shall be reduced by the same percentage as the amount paid by Hove is less than the base amount. However, in the event that any annual payment is less than Thirty-Five Thousand and no/100s Dollars (\$35,000.00) then the term of this agreement shall be extended until such time as the full amount of \$350,000.00 shall be paid to HOVE.

d. In the event that any copies of tax returns which have been submitted to BRADLEY are amended, HOVE agrees to promptly deliver a photocopy of such amended tax returns to BRADLEY, clearly identifying the document as an amendment of a previous tax return.

#### **Section 4. Audit-Reconciliation.**

Each payment by BRADLEY to HOVE shall be accompanied by a statement executed by the Village Treasurer setting forth the calculation of such payment. HOVE shall have thirty (30) days following the receipt of said payment to contest any of the calculations or information contained in said statements. In the event that HOVE shall initiate any such contest, it must be made by written notice to VILLAGE OF BRADLEY. If such contest shows that the amount paid HOVE was less or more than the amount which should have been paid, either BRADLEY shall pay to HOVE the balance of such amount due within thirty (30) days of the completion of such contest or if HOVE has been paid more than the amount which should have been paid, then HOVE shall reimburse BRADLEY within thirty (30) days of the completion of such contest. However, in the HOVE files an amended tax return as contemplated in Section 3E, which amended return is approved by IDOR then the following month's disbursement to HOVE shall be adjusted accordingly.

#### **Section 5. Confidentiality.**

The parties acknowledge that the information contained in any tax return including, without limitation, tax returns filed by HOVE is confidential information proprietary to HOVE and agree to the fullest extent permitted by law, all documents including tax returns and information provide to VILLAGE OF BRADLEY pursuant to the provisions of the agreement shall not be released or made available to any person or entity without order of court or the prior approval of HOVE. HOVE shall be allowed to defend any claim made by any third party against BRADLEY for release of such documents.

**Section 6. Term.**

This agreement shall be from September 1, 2016 through December 1, 2026, unless extended for the purpose of satisfying the amount due pursuant to this agreement.

**Section 7. Remedies.**

In the event of a breach of this agreement, the parties agree that the party alleged to be in breach shall have thirty (30) days after written notice of said breach to cure the same prior to the non-breaching party's seeking any remedy provided at law or in equity. Upon a breach of this agreement and following the expiration of the cure period, the non-breaching party may take such action at law or in the equity to enforce performance, including without limitation the termination of this agreement.

**Section 8. Liability.**

The sole source of funds for payment to either party under this agreement shall be funds which consist of that portion of the Sales Taxes generated from sales by HOVE at the subject site which are paid from the Local Government Tax Fund to VILLAGE OF BRADLEY.

**Section 9. Governing Law.**

This agreement shall be governed by and construed in accordance with the laws of the State of Illinois and the County of BRADLEY. Disputes arising under this agreement shall be settled using binding arbitration procedures with the prevailing party's costs being reimbursed by the non-prevailing party.

**Section 10. Amendment.**

This agreement may be amended only by written and executed agreement of the parties.

**Section 11. Illinois Department of Revenue.**

A copy of this Agreement shall be filed with the Illinois Department of Revenue as required by law and is fully accessible.

**Section 12. Assignment.**

This agreement may be assigned by HOVE to any successors or assigns. In the event of assignment, the assignment shall be in writing with a copy of said assignment being delivered to the Village of Bradley within thirty (30) days of the date of assignment.



**Section 13. Notices.**

All notices shall be in writing and shall be mailed by certified mail, return receipt requested, postage prepaid or delivered in person to the parties at the following addresses or such other address as the parties may from time to time designate.

If to BRADLEY:

Mayor  
VILLAGE OF BRADLEY  
147 South Michigan Ave.  
BRADLEY, IL 60915

With a copy to:

Village Administrator  
VILLAGE OF BRADLEY  
147 South Michigan Avenue  
BRADLEY, IL 60915

And if to HOVE

Bruce Hove  
1380 North Kinzie Ave.  
Bradley, Illinois 60915

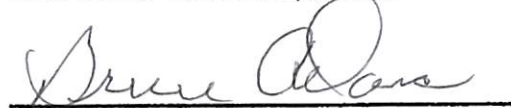
With a copy to:

Christopher W. Bohlen  
Barmann, Bohlen & Jacobi, P.C.  
200 East Court St.  
Suite 602  
Kankakee, Illinois 60901

In witness whereof, the parties have executed this agreement this 26<sup>TH</sup> day of SEPTEMBER, 2016.

VILLAGE OF BRADLEY, Illinois

By:



Mayor Bruce Adams

Attest:



Michael J. Lagesse, Village Clerk

HOVE BUICK GMC, INC.

By:



Bruce Hove, President