

A RESOLUTION APPROVING AND AUTHORIZING THE  
EXECUTION AND DELIVERY OF INTERGOVERNMENTAL  
AGREEMENT

WHEREAS, there has been presented to and there is now before the meeting of the Village Board of the Village of Cahokia at which this Resolution is adopted, the form of an Intergovernmental Agreement entered into between the Village of Cahokia and St. Clair County, Illinois.

NOW THEREFORE, BE IT RESOLVED BY THE BOARD OF TRUSTEES OF THE VILLAGE OF CAHOKIA, ST. CLAIR COUNTY, ILLINOIS, as follows:

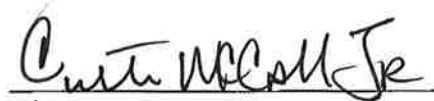
Section 1. That the form of the Agreement by and between the Village of Cahokia, Illinois and St. Clair County, Illinois which is being presented to and is now before the meeting of the Board of Trustees of the Village of Cahokia at which this Resolution is adopted, be and the same is hereby authorized and approved. Said agreement is attached hereto and marked Exhibit "A".

Section 2. That for and on behalf of the Village of Cahokia that the Mayor are hereby authorized to execute and deliver the Agreement and the Village Clerk is hereby authorized to attest to the same.

THIS RESOLUTION PRESENTED to the Village Board of Trustees this  
9 day of DECEMBER, 2020.

	<u>AYE</u>	<u>NAY</u>
BAKER	<u>Y</u>	_____
Ware	<u>Y</u>	_____
Nolden	<u>Y</u>	_____
Wofford	<u>Y</u>	_____
Radford	<u>E</u>	_____
Pearson	<u>Y</u>	_____

APPROVED by the Mayor of the Village of Cahokia, Illinois this 9 day  
of DECEMBER, A.D. 2020.

  
MAYOR

contains all the agreements between the parties with regard to the matters herein stated, and all prior understandings and agreements between the parties are superseded by and hereby merged into this Agreement, which shall not be modified, waived or amended, in whole or in part, other than by an instrument in writing duly executed by all parties.

d. Counterparts. This Agreement may be executed in multiple counterparts, each of which shall constitute one and same instrument.

e. Severability. In the event that any term or provision of this Agreement is held to be unenforceable by a court of competent jurisdiction, the remainder shall continue in full force and effect, to the extent the remainder can be given effect without the invalid provision.

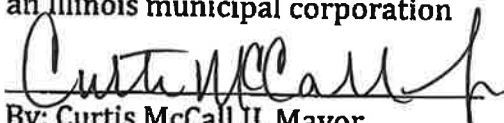
Section 12. Representations and Warranties of the Parties.

a. Village. The Village represents and warrants that it has full constitutional, statutory and lawful right, power and authority, under current applicable law, to execute and deliver, and perform the terms, duties and obligations of this Agreement, and all the foregoing have been duly and validly authorized and approved by all necessary Village proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the Village, enforceable in accordance with its terms. The Village further agrees that it will not seek any extensions of the TIF District(s) described herein when this agreement expires as outlined in Par. 9.

b. County. The County represents and warrants that it has full legal power to execute and deliver, and perform the terms, duties and obligations of this Agreement, and all the foregoing have been duly and validly authorized by all necessary County proceedings, findings and actions. Accordingly, this Agreement constitutes the legal, valid and binding obligation of the County, enforceable in accordance with its terms. The County further agrees to consider using the revenue it gains pursuant to this agreement for economic development at the request of the Village consistent with sound economic development standards on a case by case basis.

IN WITNESS WHEREOF, the Village and the County have caused their respective corporate names to be subscribed hereto by their undersigned duly authorized officers, and attested, all on and as of the date first above written.

"VILLAGE"  
VILLAGE OF CAHOKIA, ILLINOIS,  
an Illinois municipal corporation

  
By: Curtis McCall II, Mayor

Date: 12-9-2020

"COUNTY"  
ST. CLAIR COUNTY, ILLINOIS

\_\_\_\_\_  
By: Mark Kern, Board Chairman

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

# INTERGOVERNMENTAL AGREEMENT

## VILLAGE OF CAHOKIA, ILLINOIS AND ST. CLAIR COUNTY, ILLINOIS

This Intergovernmental Agreement is made, executed and delivered on this 9 day of DECEMBER, 2020, by and between the VILLAGE OF CAHOKIA, ILLINOIS (hereinafter referred to as the "Village"), and ST. CLAIR COUNTY, ILLINOIS (hereinafter referred to as the "County"), pursuant to the authority granted by 5 ILCS 220/5.

WHEREAS, the Tax Increment Allocation Redevelopment Act of Illinois, as amended, (65 ILCS 5/11-74.4-1 through 5/11-74.4-11) (the "Act") authorizes municipalities to designate a Redevelopment Project Area and to adopt a Redevelopment Plan and Project for the purpose of financing Redevelopment Project Costs, in order to reduce or eliminate those conditions, the existence of which qualify the Redevelopment Project Area as a Blighted Area, Conservation Area, combination of Blighted and Conservation Areas, or an Industrial Park Conservation Area, as defined in the Act (all capitalized terms used in this paragraph shall have the definitions as set forth in the Act); and

WHEREAS, the Village adopted a Redevelopment Plan and Project (the "Plan" or "Redevelopment Plan and Project") pursuant to the provisions of the Act, and designated a Redevelopment Project Area known as the "Cahokia Redevelopment Plan and Project Area #1" (hereinafter referred to as the "TIF Area"), as described in the Plan; and

WHEREAS, a portion of the County's territory is located within the boundaries of the TIF Area (hereinafter referred to as the "County TIF Area"); and

WHEREAS, the Plan will facilitate growth in the County TIF Area that will place an additional and unanticipated need for growth and improvement on the County; and

WHEREAS, the continued provision of quality services by the County is important to the Village and the public welfare of its citizens and is critical in furthering economic development in the Village and the objectives of the Plan; and

WHEREAS, the County has agreed to support the Village's petition for an extension to the life of the TIF Area as well as refrain from pursuing any legal action, based upon the Village's agreement to pledge and pay to the County certain sums for the County's increase in capital costs and funding requirements resulting from the Redevelopment Plan and Project; and

WHEREAS, pursuant to Section 11-74.4-4 of the Act, the Village is authorized to enter into all contracts necessary or incidental to the implementation and furtherance of its Redevelopment Plan and Project, and to incur "Redevelopment Project Costs" as that term is defined in Section 11-74.4-3(q) of the Act; and

Exhibit "A"

WHEREAS, "Redevelopment Project Costs", as defined in Section 11-74.4-3(q) (7) of the Act, include all or a portion of a taxing district's capital costs resulting from the Redevelopment Plan and Project, necessarily incurred or to be incurred in furtherance of the objectives of the Redevelopment Plan and Project, to the extent the municipality by written agreement accepts and approves such costs; and

WHEREAS, this Agreement has been submitted to the Village for consideration and review, and the Village has given all notices and taken all actions required prior to its approval and execution of this Agreement, to make this Agreement effective.

NOW, THEREFORE, FOR AND IN CONSIDERATION of the mutual promises, covenants and agreements contained herein, the Village and the County hereby mutually promise, covenant and agree as follows:

**Section 1. Recitals.** All of the above and foregoing recitals are hereby incorporated in and made a part of this Agreement.

**Section 2. Definitions.** The following words and phrases as used in this Agreement shall have the following definitions:

a. County TIF Area Incremental Property Tax Revenues shall mean that portion of taxes levied upon all taxable real property in the County TIF Area which is attributable to the increase in the current equalized assessed valuation of all taxable real property in the County TIF Area over and above the Initial Equalized Assessed Value of such property in the County TIF Area, and which portion of taxes shall be deposited into the Village's Special Allocation Fund of the TIF Area for the purpose of paying Redevelopment Project Costs.

b. County TIF Area Initial Equalized Assessed Value shall mean the total equalized assessed value of all taxable real estate that is within the boundaries of the County TIF Area for the levy year 1986, as certified by the Office of the Clerk of St. Clair County.

c. Special Allocation Fund shall mean the separate Village account into which all incremental property tax revenues from the TIF Area are from time to time deposited.

**Section 3. Pledge and Payment of County TIF Area Incremental Property Tax Revenues**

a. For each tax year during the term of this Agreement, the Village hereby pledges and agrees to pay to the County from the Special Allocation Fund an amount which will effectively reduce the property tax revenue lost due to the Redevelopment Plan and Project by fifty percent (50%) when combined with any surplus distribution payments made from the Village to the County. This payment will be

determined substantially by the example calculation as set forth in "Exhibit A" attached hereto and incorporated herein by reference. The aforesaid payment shall hereinafter be referred to as the "County Payment".

b. The Village hereby specifically accepts and approves by this Agreement, all of the County's capital costs for real and personal property which are eligible redevelopment project costs under 65 ILCS 5/11-74.4-3 (q) (7). This includes, but is not limited to, those capital costs of the County as are itemized on "Exhibit B" attached hereto and incorporated herein by reference. The County Payment shall be paid annually by the Village to the County from the Special Allocation Fund in December of the year in which the taxes were collected. The Village agrees that during the term of this Agreement it shall not further encumber or pledge the County Payment, or take any action inconsistent with the terms and intent of this Agreement.

Section 4. Establishment of and Deposits Into the Special Allocation Fund. The Village hereby agrees to create a separate account with an FDIC insured bank to be known as the Special Allocation Fund. During the term of this Agreement, the Village shall deposit into the Special Allocation Fund all incremental property tax revenues resulting by reason of the TIF Area within thirty (30) days after receipt thereof. Within one hundred eighty (180) days after the close of the Village's fiscal year, the Village shall prepare and deliver to the County an audited written report of the amount of County TIF Area Incremental Property Tax Revenues deposited into the Special Allocation Fund during the fiscal year immediately preceding, and the disbursements therefrom.

Section 5. Provision of Support for Extension to Life of TIF Area. The County hereby agrees to support the Village's petition for an extension to the life of the TIF Area. Provision of support may include, but is not limited to, written letters of support, resolutions indicating support, and other documents as may be requested by the Village from the County for these purposes.

Section 6. Defaults. In the event of any default in or breach of any term or condition of this Agreement by either party, or any successor or assignee, the defaulting or breaching party (or successor or assignee) shall, upon written notice from the other party, proceed immediately to cure or remedy such default or breach, and shall, in any event, within thirty (30) days after receipt of the notice, commence to cure or remedy such default. In case such cure or remedy is not taken or not diligently pursued, or the default or breach shall not be cured or remedied within a reasonable time, the aggrieved party may institute such proceedings as may be necessary or desirable in its opinion to cure and remedy such default or breach, including, but not limited to, proceedings to compel specific performance by the defaulting or breaching party. In any such proceedings, the party that is not in default or breach shall be entitled to recover from the defaulting or breaching party its reasonable attorneys' fees and costs.

Section 7. Village's Duty to Indemnify. The Village covenants and agrees to defend, indemnify and hold the County and the County's officers, Board members, attorneys,

agents, employees and representatives harmless from all costs and expenses (including expert witness and attorney's fees, and costs of investigations) of defending any claims or actions contesting the validity or legality of the Plan, Redevelopment Project, or Redevelopment Project Area.

**Section 8. Covenant Not to Sue.** The County does hereby covenant to forever refrain and desist from instituting or asserting against the Village, its successors, elected officials, officers, employees, agents, representatives and attorneys, any and all legal actions, claims, demands, obligations or causes of action relating to, concerning or arising out of any of the following: (a) the designation of the TIF Area; (b) the adoption and implementation of the Plan; and (c) the adoption and implementation of tax increment financing pursuant to the Act by means of designation of the TIF Area and adoption and implementation of the Plan; provided, however, that this provision shall not be binding on the County, if:

- 1) The Village shall be in default under any term or condition of this Agreement and fails to cure same within the applicable cure period, in which case the County may institute legal proceedings pursuant to Section 6 hereof;
- 2) This Agreement should be determined to be unlawful or unenforceable against the Village by the final order of a court of law having jurisdiction of the parties.

**Section 9. Term.** This Agreement shall be effective for property taxes levied during 2022 and collected in 2023. This Agreement shall remain in full force and effect until the termination or expiration of the TIF Area, or until such time as the County has received all payments to which it is entitled pursuant to this Agreement, whichever is later, unless the Agreement is earlier terminated by mutual agreement of the parties, expressed in writing.

**Section 10. Mutual Assistance.** The parties agree to take such actions, including the execution and delivery of such documents, instruments, petitions and certifications supplemental hereto as may be necessary or appropriate to carry out the terms, provisions and intent of this Agreement.

**Section 11. Miscellaneous Provisions.**

a. **Binding Effect.** This Agreement shall be binding on and inure to the benefit of the parties hereto and their successors. It may be assigned only with the written agreement of the parties.

b. **Governing Law.** This Agreement shall be taken and deemed to have been fully executed, made by the parties in, and governed by, the laws of the State of Illinois for all purposes and intents.

c. **Complete Agreement; Amendment.** Each party to this Agreement agrees that it has not relied upon any statement or representation, written or oral, made by or on behalf of the other party which is not set forth in this Agreement. This Agreement

**EXHIBIT A-1**

**Example for the Calculation of the St. Clair County Payment**

Assumptions: (numbers for illustration only)

1.	Current Tax Year:	2025
2.	TIF Value:	\$1,000,000
3.	St. Clair County Tax Rate:	1.1004%
4.	St. Clair County Lost Tax Revenue (100%): [#2 x #3]	\$11,004
5.	St. Clair County Revenue Recovery Goal (50%): [#4 x 50%]	\$5,502
6.	County Surplus Distribution Payment:	\$1,119

The "County Payment" for the 2025 Tax Year would be calculated as follows:

Revenue Recovery Goal (50% of Lost Tax Revenue):	\$5,502
<u>Subtract (-) County Surplus Distribution Payment</u>	<u>(1,119)</u>
<b>Payment Pursuant to this Agreement:</b>	<b>\$4,383</b>

The Revenue Recovery Goal and Surplus Distribution Payment will vary year to year based on the TIF Value and the then current pro-rata share of St. Clair County.

The County Surplus Distribution Payment is separate from this agreement, however it will be necessary to determine prior to calculating the appropriate payment pursuant to this agreement.

The County Surplus Distribution Payment is the then current pro rata share of the County's tax levy multiplied by the amount of TIF Revenues declared surplus by the Village each year (10% of TIF Revenue Collected by the TIF #1 Fund).

**EXHIBIT A-2**

**Example for the Calculation of the St. Clair County Payment Utilizing 2018 Payable 2019  
Tax Revenues from Cahokia TIF #1**

1.	Current Tax Year:	2018
2.	TIF Value:	\$7,002,886
3.	St. Clair County Tax Rate:	1.1004%
4.	St. Clair County Lost Tax Revenue (100%): [#2 x #3]	\$77,060
5.	St. Clair County Revenue Recovery Goal (50%): [#4 x 50%]	\$38,530
6.	*County Surplus Distribution Payment:	\$7,706

The "County Payment" for the 2025 Tax Year would be calculated as follows:

Revenue Recovery Goal (50% of Lost Tax Revenue):	\$38,530
Subtract (-) County Surplus Distribution Payment	(\$7,706)
<hr/>	
<b>Payment Pursuant to this Agreement:</b>	<b>\$30,823</b>

\*Assumes a surplus declaration of 10%



## **EXHIBIT B**

### **Examples of Annual Capital Costs**

Capital Costs include, but are not limited to, the following:

- Rehabilitation of County Grounds and Buildings
- Site Preparation
- Land Acquisition
- Interest Costs
- Financing Costs
- Training
- Equipment

ATTEST:

Delia Duncan  
CITY CLERK

STATE OF ILLINOIS     )  
COUNTY OF ST. CLAIR   )

AYE

NAY

Baker

Y

—

Ware

Y

—

Nolden

Y

—

Wofford

Y

—

Radford

E

—

Pearson

Y

—

MAYOR Curtis W. Pearson

CLERK Delva Duncan

**CERTIFICATION**

The undersigned Village Clerk does herewith certify that the attached is a true and correct copy of the Resolution duly adopted by the Mayor and Board of Trustees of the Village of Cahokia at a meeting of the Village Board held on the 9 day of DECEMBER, 2020.

*Delva Duncan*  
VILLAGE CLERK