

ORDINANCE NO. 24-08

AN ORDINANCE AUTHORIZING THE EXECUTION OF A FOURTH AMENDMENT TO A BUSINESS DEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF MANTENO AND TAYLOR FORD OF MANTENO, INC., RELATED TO SALES TAXES GENERATED FROM ITS LOCATION AT 222 SOUTH LOCUST, MANTENO, ILLINOIS

WHEREAS, on March 5, 2012 the Village of Manteno ("Village") and Manteno Automart, Inc. ("Manteno Automart"), entered into a business development agreement ("Original Agreement") related to sales taxes generated at 222 South Locust, Manteno, Illinois (the "Subject Property"), which was approved by Ordinance No. 11-27 on that same day;

WHEREAS, on July 17, 2017, the Village and Manteno Automart entered into a First Extension and Amendment to the Original Agreement ("First Extension and Amendment"), which was approved by Ordinance No. 17-07;

WHEREAS, Manteno Automart subsequently sold the business located on the Subject Property Taylor Ford of Manteno, Inc. ("Taylor Ford");

WHEREAS, on January 7, 2019, the Village and Taylor Ford entered into a Second Amendment to the Original Agreement ("Second Amendment"), which was approved by Ordinance No. 18-19;

WHEREAS, on June 17, 2019, the Village and Taylor Ford entered into a Third Amendment to the Original Agreement ("Third Amendment," together with the Original Agreement, First Extension and Amendment, and Second Amendment, the "Agreement") , which was approved by Ordinance No. 19-08;

WHEREAS, the Village and Taylor Ford have examined the benefits realized from implementation of the Agreement, and have determined that it is in their best interest to extend the term thereof under the terms and conditions of a Fourth Amendment to the Agreement ("Fourth Amendment");

WHEREAS, the Village hereby affirms and incorporates the findings set forth in Ordinance No. 11-27, Ordinance No. 17-07, Ordinance No. 18-19, and Ordinance No. 19-08 as though fully set forth herein at length;

WHEREAS, the Village finds that this Fourth Amendment will not violate the provisions of 65 ILCS 5/8-11-21.

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Manteno, as follows:

Section 1

The recitals set forth above are incorporated herein by reference the same as if they were set forth herein verbatim and they are adopted as the findings of the corporate authorities of the Village of Manteno.

Section 2

The Fourth Amendment between the Village of Manteno and Taylor Ford, which shall be in substantially the form attached hereto as Exhibit "A" and made a part of this ordinance by reference, is hereby approved.

Section 3

The President and Village Clerk are hereby authorized and directed to execute the Fourth Amendment herein provided for, and to do all things necessary and essential, including the execution of any further agreements, instruments, documents and certificates incidental thereto or necessary to carry out the provisions and effectuate the purpose thereof.

Section 4

All ordinances or parts of ordinances and agreements in conflict herewith are hereby repealed.

Section 5

This ordinance shall be immediately in full force and effect after its passage and approval as provided by law.

PASSED by the President and Board of Trustees of the Village of Manteno, Illinois and deposited in the office of the Village Clerk this 5th day of August, 2024.

DEPOSITED with the Village Clerk
this 5th day of August, 2024.

Robin Batka by Daria Hurley
ROBIN BATKA, Village Clerk *Deputy VC*

APPROVED by me this 5th
day of August, 2024.

Timothy O. Nugent
TIMOTHY O. NUGENT, Village President

FOURTH AMENDMENT TO A BUSINESS DEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF MANTENO AND TAYLOR FORD OF MANTENO, INC., RELATED TO SALES TAXES GENERATED FROM ITS LOCATION AT 222 SOUTH LOCUST, MANTENO, ILLINOIS

This Fourth Amendment (“Fourth Amendment”) to the Business Development Agreement Between the Village of Manteno (the “Village”), an Illinois municipal corporation, and Manteno Automart, Inc. (“Manteno Automart”), a Illinois corporation, Related to Sales Taxes Generated at 222 South Locust, Manteno, Illinois, is made and entered into by and between the Village and Taylor Ford of Manteno, Inc. (“Taylor Ford”) this 5th day of August, 2024.

It is agreed by and between the parties as follows:

Section 1. The Business Development Agreement Between the Village and Manteno Automart Related to Sales Taxes Generated at the Property Commonly Known as 222 South Locust, Manteno, Illinois, dated March 5, 2012 ("Original Agreement"), being attached hereto as Exhibit "A," and incorporated herein by reference, which was extended under the terms and conditions of the First Extension and Amendment to the Original Agreement, dated July 17, 2017 (“First Extension and Amendment”), being attached hereto as Exhibit “B,” and incorporated herein by reference, further amended by the terms and conditions of the Second Amendment to the Original Agreement, dated January 7, 2019 (“Second Amendment”), being attached hereto as Exhibit “C,” and incorporated herein by reference, further amended by the terms and conditions of the Third Amendment to the Original Agreement, dated June 17, 2019 (“Third Amendment,” together with the Original Agreement, First Extension and Amendment, and Second Amendment, the “Agreement”), being attached hereto as Exhibit “D,” and incorporated herein by reference, is hereby extended under the same terms and conditions of the Agreement, subject to Sections 2 through 4 of this Fourth Amendment, retroactively from July 1, 2024 through June 30, 2027 ("Extended Term").

Section 2. During the Extended Term, the following terms and conditions shall replace Paragraph 4 of the Agreement, and govern the parties' relationship:

4. Sales Tax Rebate Provision: In consideration of Taylor Ford undertaking and continuing the Project in the Village, the Village agrees to annually rebate to Taylor Ford certain monies as follows:

A. *Annual Periods:* For each calendar year, or partial year, as the case may be, commencing upon July 1, 2024, the Village shall rebate to Taylor Ford a percentage of Sales Taxes generated under the following schedule:

\$10,000,000 and Less	=	50%
\$10,000,001 - \$20,000,000	=	75%
\$20,000,001 and Greater	=	90%

“Sales Tax” means the Village’s portion of the Retailer's Occupation Tax and the Retailer's Service Occupation Tax that is collected by Taylor Ford as a result of business transactions occurring at the subject property, and which is received by the Village through the Illinois Department of Revenue.

If the Village no longer receives Sales Tax from Taylor Ford due to a law change by the State of Illinois, then the Village shall make payments to Taylor Ford from any alternate sources of revenue provided to the Village by the State of Illinois specifically as a replacement or substitute for Sales Tax presently received by the Village (the "Alternate Source Revenue") and, in that event, payment to Taylor Ford shall be calculated as if the Village were continuing to receive the Sales Tax at a rate equal to the sales tax rate applicable to the Village's share of the State of Illinois sales tax immediately prior to the elimination of Taylor Ford gross sales that would have been subject to State of Illinois Sales Tax. The Alternate Source Revenue shall be subject to a proportionate reduction in the event that it does not constitute, or is not intended to constitute, a 100%, dollar for dollar, replacement of the Sales Tax previously received by the Village. Notwithstanding the foregoing, the payment to Taylor Ford from Alternate Source Revenue is contingent upon the ability of the Village to obtain, and confirm as accurate, gross sales by Taylor Ford that would have been subject to State of Illinois Sales Tax in the same form that such information would have been furnished to the Illinois Department of Revenue. In the event that said gross sales figures cannot be obtained or confirmed as accurate by the Village, the Village shall have no obligation to tender any payments hereunder to Taylor Ford.

Rebates during the Extended Term shall only be owed, processed, and distributed in accordance with the following provisions:

(i) For calendar year 2024, a rebate of the applicable percentage of Sales Tax shall be made at the earliest date in 2025 once the village has obtained the Sales Tax reports from the State of Illinois for the previous tax year, but only to the extent Taylor Ford, by January 31, 2025: (a) has installed and made operational car charging stations as permitted by the Village; and (b) has obtained a permit from the Village for the remodeling of the main building; and,

(ii) For calendar year 2025, a rebate of the applicable percentage of Sales Tax shall be made at the earliest date in 2026 once the village has obtained the Sales Tax reports from the State of Illinois for the previous tax year, but only to the extent Taylor Ford, by December 31, 2025, completes and has approved by the Village the remodeling of the main building; and,

(iii) For calendar year 2026, a rebate of the applicable percentage of Sales Tax shall be made at the earliest date in 2027 once the village has obtained the Sales Tax reports from the State of Illinois for the previous tax year, but only the extent Taylor Ford, by December 31, 2026, completes and has approved the construction of a car wash.

The Village shall have the authority to extend any one or more deadlines for the completion of any of the above-referenced tasks in its sole discretion. No rebate shall be made, and the annual rebate of the percentage of Sales Tax shall be deemed forfeited and waived by Taylor Ford, to the extent Taylor Ford fails to complete the applicable tasks in the time period referenced, or as extended by the Village, as applicable.

B. *Duration:* The obligation of the Village to reimburse Taylor Ford from its collected Sales Tax under this Fourth Amendment shall continue until the Village has reimbursed Taylor Ford for its collected Sales Tax for three (3) consecutive Annual Periods, with the Annual Periods shall commence on July 1, 2024 and end on June 30, 2027.

Section 3. The provisions of this Fourth Amendment shall be read and interpreted in conjunction with the provisions of the Agreement and which, unless specifically amended by this Fourth Amendment, shall remain in full force and effect during the extended term. Any and all terms, conditions, restrictions, covenants, obligations, rights, privileges and authority applicable to, in effect, or governing the relationship of Village and Taylor Ford under the Agreement not amended by the Fourth Amendment shall apply, be in effect for, and govern the relationship of the Village and Taylor Ford. The Agreement and this Fourth Amendment, including exhibits, and those documents expressly referred to in the Agreement, embody the complete agreement and understanding of the parties with respect to the subject matter hereof, and supersede and preempt any prior understandings, agreements or representations by either party, written or oral, pertaining to such subject matter.


Section 4. Taylor Ford hereby agrees to defend, indemnify, and hold harmless the Village to, from, and against any and all claims that may be asserted against the Village by Manteno Automart, or its successors or assigns, related to claims of entitlement to rebates under the Agreement and Fourth Amendment from occupational taxes arising after the date of this Fourth Amendment.

Section 5. The officer of Taylor Ford, who has executed this Fourth Amendment, warrants that he has legal authorization to do so. The Village President and Village Clerk of the Village hereby warrant that they have been lawfully authorized to execute this Fourth Amendment. Taylor Ford and the Village shall deliver, upon request, to each other at the respective time such entities cause their authorized agents to affix their signatures hereto, copies of all articles of organization, operating agreement, by-laws, resolutions, ordinances or other documents required to legally evidence the authority to so execute this Fourth Amendment on behalf of the respective parties.

IN WITNESS WHEREOF, the parties hereto have executed this Fourth Amendment as of the date first written above.

VILLAGE OF MANTENO

TAYLOR FORD



Timothy O. Nugent, Village President


_____, President



Robin Batka, Village Clerk



Paula Heuley, Deputy VC