

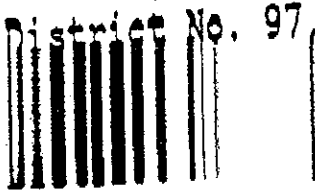
March 19, 1985

SETTLEMENT AGREEMENT

THIS IS AN AGREEMENT made between Oak Park Elementary School District No. 97, a school district in Oak Park, Illinois (the "School District") and the Village of Oak Park, an Illinois municipal corporation (the "Village"). In consideration of their mutual promises, the parties agree as follows:

I. RECITALS

1.1 The School District has commenced an action against the Village in the Circuit Court of Cook County, Illinois, County Department, Law Division, captioned Oak Park Elementary School District No. 97, Plaintiff, v. Village of Oak Park, Defendant,



and Edward J. Rosewell, Treasurer of Cook County, Illinois, Defendant, No. 84 L 51362 (the "Action").

1.2 The School District wishes to resolve the Action by settlement, without being required to offer proof in the Action.

1.3 The Village wishes to resolve the Action by settlement, without admitting any allegation of the Complaint or Amended Complaint filed in the Action.

II. DISMISSAL OF THE ACTION

2.1 Stipulation to Dismiss. Concurrently with the execution of this Settlement Agreement, the School District and the Village shall execute a Stipulation to Dismiss with Prejudice, identical in form and substance to Exhibit I. The Stipulation to Dismiss with Prejudice shall be delivered to the attorneys of record for the Village for filing with the Court. Both parties

hereby approve the form and content of the dismissal Order, attached as Exhibit II. The School District waives notice of the Motion to Dismiss which will be made by the Village's attorneys of record.

2.2 Costs. Each party shall bear its own expenses, including costs and attorneys' fees, incurred in connection with the Action and the settlement of the Action.

III. THE SETTLEMENT AMOUNT

3.1 The Settlement Amount. In conformity with the provisions of this Agreement and subject to its terms, the Village shall annually pay the School District an amount equal to twenty-two and one-half percent (22-1/2%) of the District 97 Deficiency up to a maximum of twenty-two and one-half percent (22-1/2%) of the District 97 Pro Rata Percentage of the Increment collected by the Village. All terms used in this paragraph have the meanings assigned to them in this Agreement.

IV. DEFINITIONS

4.1 Act. The Act is the Real Property Tax Increment Allocation Redevelopment Act of Illinois, Ill. Rev. Stat. ch.24 §§11-74.4-1 through 11.74-4.11 (1983) as amended, and as it may be amended from time to time.

4.2 Redevelopment Project Area. The Redevelopment Project Area is the portion of the Village designated as a Redevelopment Project Area in Village Ordinance No. 1983-0-92, passed and approved on December 12, 1983.

4.3 Plan and Project. The Plan and Project are the redevelopment plan and redevelopment project defined respectively as the "Plan" and the "Project" in Village Ordinance No. 1983-0-91, passed and approved on December 12, 1983.

4.4 Increment. Increment is the amount of real estate tax revenues required to be deposited into the Village's special tax allocation fund pursuant to §11-74.4-8(b) of the Act and in consequence of the Village's designation of the Redevelopment Project Area and adoption of the Plan and Project.

4.5 Statutory Surplus. Statutory Surplus is the amount which, on an annual basis and pursuant to §11-74.4-8 of the Act, constitutes surplus funds (a) generated in consequence of the Village's designation of the Redevelopment Project Area and adoption of the Plan and Project, and (b) remaining in the special tax allocation fund of the Village when redevelopment project costs, including without limitation all municipal obligations financing redevelopment project costs incurred under the Act, have been paid.

4.6 Collection Year. The Collection Year is the year in which real property tax revenues are collected by the Cook County Collector and distributed to the taxing districts. Real property tax revenues collected in the Collection Year are raised by application of tax rates fixed in the Collection Year but extended against the Levy Year EAV (as defined below).

4.7 Levy Year. The Levy Year is the year in which real property taxes become due, even though under current practice the tax rates applicable to a Levy Year are not fixed, and the

real property taxes are not paid and collected, until the year following the Levy Year.

4.8 EAV. The EAV is the assessed value of real property, equalized by the application of the multiplier established for Cook County by the Illinois Department of Local Government Affairs and reduced by the homestead exemptions provided in Ill. Rev. Stat. ch. 120 §§500.23-1 and 500.23-1a (1983), where applicable. For purposes of this Agreement, the EAV of any property as recorded on the books of the Cook County Clerk shall conclusively be deemed the EAV of that property.

4.9 Initial EAV. The Initial EAV is the 1982 combined EAV of all real property in the Redevelopment Project Area. The 1982 EAV consists of the 1982 assessed values of real property, as equalized in 1983. If the Village in compliance with Section 11-74.4-9 of the Act obtains a certification from the Cook County Clerk of the "total initial equalized assessed value as adjusted" (as that term is defined in the Act) pertaining to the Redevelopment Project Area, then such amount shall be the Initial EAV for all purposes from the date of the certification.

4.10 Levy Year EAV. The Levy Year EAV is the assessed value of real property as assessed in the Levy Year and as equalized by the State multiplier published (under current practice) in the Collection Year.

4.11 Current Tax Base. The Current Tax Base is the Levy Year EAV of all real property in District 97. *EAV + Increase in TIP Base*

4.12 Artificial Tax Base. The Artificial Tax Base is the combination of the Initial EAV of all real property in the

Redevelopment Project Area plus the Levy ^{Year} ~~Year~~ EAV of all other real property in District 97.

4.13 Statutory Ceiling Fund. A Statutory Ceiling Fund is a fund of the School District identified in Article 17 or 20 of the School Code of 1961 (Ill. Rev. Stat. ch. 122 pars. 17-1 et seq. and 20-1 et seq. (1983)) and with respect to which real property taxes may not be levied in an amount which requires the fixing of the tax rate for such Statutory Ceiling Fund above the tax rate established for such Statutory Ceiling Fund by Articles 17 and 20 of the School Code of 1961 or by referendum approval.

4.14 Maximum Rate Fund. A Maximum Rate Fund is a Statutory Ceiling Fund for which the Cook County Clerk fixes, with respect to a given Levy Year, a tax rate equal to the tax rate ceiling established for such Statutory Ceiling Fund by Article 17 or 20 of the School Code of 1961 or by referendum approval.

4.15 District 97 Deficiency. The District 97 Deficiency is the base against which the Settlement Payment is to be computed. The District 97 Deficiency is to be calculated in conformity with subparagraph 5.4.

4.16 District 97 Pro Rata Percentage. The District 97 Pro Rata Percentage of any amount is the percentage equal to the fraction which is the result of dividing the School District total real property tax rate for a given Levy Year by the total real property tax rates for that given Levy Year of all taxing districts encompassing the Redevelopment Project Area (including the School District and the Village).

V. PROCEDURE FOR DETERMINING THE SETTLEMENT AMOUNT

5.1 School District Certification. Each year, beginning with 1985, within 30 days after the Cook County Clerk has delivered to the School District a statement of the tax rates applicable to the Levy Year for each of its Statutory Ceiling Funds, the School District shall certify through the President of its Board of Education, and shall deliver to the Village, a statement containing the following:

- (a) the name of each Statutory Ceiling Fund in the Levy Year;
- (b) the amount of the levy certified by the School District to the Cook County Clerk with respect to each such Statutory Ceiling Fund for the Levy Year, as abated and as increased by an amount for "loss and costs" established by the Cook County Clerk;
- (c) the actual final tax rate fixed by the Cook County Clerk for each such Statutory Ceiling Fund for the Levy Year; and
- (d) the maximum tax rate established for each such Statutory Ceiling Fund by statute or referendum approval.

5.2 Identification of the Maximum Rate Funds.

Following receipt of the School District certification, and based upon that certification as verified by the Village, the Village shall identify those Statutory Ceiling Funds for which the actual final tax rate fixed by the Cook County Clerk is equal to the tax rate ceiling established by statute or referendum approval. These shall be the Maximum Rate Funds for that year's calculations.

5.3 Calculation of Maximum Levy for Maximum Rate Funds.

For each Maximum Rate Fund, the Village shall, in accordance with the provisions of this subparagraph, calculate the maximum levy which could be generated for that fund. For the calculation, the Village shall multiply the tax rate ceiling established by statute or referendum approval for that fund by the Current Tax Base of all real property in the School District. (However, if the Levy Year EAV of the Redevelopment Project Area is lower than the Initial EAV of the Redevelopment Project Area, the Village shall add the Initial EAV of all real property in the Redevelopment Project Area to the Levy Year EAV of all other real property in the School District and that sum shall be deemed the Current Tax Base.) The Village shall compare the maximum levy which could be generated for each Maximum Rate Fund with the actual levy for that Maximum Rate Fund as certified to the Village by the School District. If the actual levy as certified by the School District is lower than the maximum levy as calculated by the Village, then the actual levy as certified by the School District shall be deemed the maximum levy which could be generated for that fund. The Village shall add together the maximum levy which could be generated for all the Maximum Rate Funds.

5.4 Calculation of District 97 Deficiency. The Village shall calculate the maximum real estate tax revenues which could be generated for the School District by extension of the tax rate ceiling for each Maximum Rate Fund against the Artificial Tax Base, and shall add the results for all Maximum Rate Funds together. The Village shall subtract this sum from the sum of

the maximum levy which could be generated for all the Maximum Rate Funds, as determined pursuant to subparagraph 5.3, and the remainder shall be the District 97 Deficiency. The Village shall certify the District 97 Deficiency to the School District on or before the last day of November of the relevant Collection Year, to give the School District the opportunity to verify the calculations.

5.5 Determination of Settlement Amount. As provided in subparagraph 5.4, the District 97 Deficiency shall be calculated each Collection Year with reference to the real property taxes to be collected in that Collection Year. In the January following the Collection Year, the Village shall calculate the Increment it has actually collected in the Collection Year. The Village shall then calculate the Settlement Amount, which shall be 22 1/2% of the District 97 Deficiency calculated during the Collection Year, but shall in no event be greater than 22 1/2% of the District 97 Pro Rata Percentage of the Increment collected by the Village during the Collection Year. The District 97 Pro Rata Percentage shall be calculated by using the tax rates fixed during the Collection Year and pertaining to the Levy Year.

5.6 Payment of the Settlement Amount. At its election the Village may pay the Settlement Amount directly to the School District or may cause payment to be made by the declaration of Statutory Surplus pursuant to the Act in an amount and manner which will cause the Cook County Collector to pay the School District the Settlement Amount. If the Village makes payment directly, it shall make such payment in the February following

the Collection Year. If the Village causes payment to be made through a declaration of Statutory Surplus, it shall declare the Statutory Surplus and return it to the Cook Country Collector in accordance with the Act no later than February following the Collection Year. The payment of the School District portion of Statutory Surplus shall then be the responsibility of the Cook County Collector.

5.7 Set-Off of Statutory Surplus. Under the Act the Village is entitled to declare Statutory Surplus for reasons other than to cause payment of the Settlement Amount. If in any year the Village declares Statutory Surplus, the amount of the Statutory Surplus received by the School District shall be set off against any amount of the Settlement Payment which the Village is obligated to pay in the year in which the School District receives such Statutory Surplus.

5.8 Each Year Separate. Each year shall be treated separately for purposes of this Agreement. If the Settlement Payment payable in a given year is less than 22 1/2% of the District 97 Deficiency because such amount would exceed 22 1/2% of the District 97 Pro Rata Percentage of the Increment collected, no deficit shall be created thereby and the amount of the difference shall not be carried over or payable in any subsequent year.

5.9 Size of the Redevelopment Project Area. If the Village reduces the size of the Redevelopment Project Area during the term of this Agreement, the "Redevelopment Project Area" shall, from the date of the ordinance effecting the change, be

the Redevelopment Project Area as amended for purposes of all obligations accruing thereafter.

VI. TERM AND TERMINATION OF THE AGREEMENT

6.1 Term. The parties acknowledge that the Village did not collect any Increment in 1984. Therefore, the obligation to calculate the District 97 Deficiency shall commence in 1985, 1985 shall be the first Collection Year under this Agreement, and the first Settlement Payment shall be due or declaration of Statutory Surplus be made in February of 1986. Unless terminated by agreement of the parties, the Agreement shall remain in effect until the Village terminates the designation of the Redevelopment Project Area pursuant to section 11-74.4-8 of the Act.

6.2 Post-Termination Obligations. Obligations which have accrued prior to the termination date shall remain in effect until satisfied. The obligations of paragraphs 6.3 and VII shall be perpetual, irrespective of termination of this Agreement by expiration or otherwise.

6.3 Resolution of Disputes. The Parties shall use their best efforts to resolve any disputes arising with respect to this Agreement by negotiation among the School District President, the School District Superintendent (or his or her designate), counsel for the School District, the Village President, the Village Manager and counsel for the Village.

VII. RELEASE

7.1 Release. The School District hereby releases and forever discharges the Village, its successors, elected officials,

officers, employees, agents, representatives and attorneys from any and all claims, demands, obligations or causes of action relating to, concerning or arising out of any of the following:

(a) The Action; (b) the designation of the Redevelopment Project Area; (c) the adoption and implementation of the Plan and Project; (d) the adoption and implementation of tax increment financing pursuant to the Act by means of designation of the Redevelopment Project Area and adoption and implementation of the Plan and Project; and (e) the adoption and implementation of any amendment to the Plan and Project and the designation of the Redevelopment Project Area, provided such amendment does not require notice and hearing under section 11-74.4-5 of the Act.

7.2 Exclusion from Release. The foregoing release does not apply to the execution, delivery or performance of this Agreement or any suit brought to enforce this Agreement.

VIII. GENERAL OBLIGATIONS

8.1 Authority. Each party warrants to the other that it is authorized to execute, deliver and perform this Agreement. Each party warrants to the other that execution, delivery and performance of this Agreement does not constitute a breach or violation of any agreement, undertaking, law or ordinance by which that party is bound. Each individual signing this Agreement on behalf of a party warrants to the other party that such individual is authorized to execute this Agreement in the name of the party on whose behalf he or she executes it.

8.2 Binding Effect. This Agreement shall be binding on the parties and their respective successors. It may not be assigned.

8.3 Further Acts. Each party shall, at the request and expense of the other, execute and deliver any further documents and do all acts and things as that party may reasonably require to carry out the true intent and meaning of this Agreement.

8.4 Change in Law. If the Act or the laws governing the assessment of real property, the establishment of real property tax rates, or the collection of real estate tax revenues, or the practice of officials charged with execution of those laws, should be amended or changed so as to affect substantially the rights or benefits of either party to this Agreement, the parties shall, upon notice by the party complaining of the amendment or change, comply with subparagraph 6.3 of this Agreement to resolve the problems created by that amendment or change.

8.5 Governing Law. This Agreement is governed by and shall be interpreted and enforced in accordance with the laws of the State of Illinois.

8.6 Waivers and Modifications. No waiver of any term or condition of this Agreement shall be binding or effective for any purpose unless expressed in writing and signed by the party making the waiver, and then shall be effective only in the specific instance and for the purpose given. This Agreement shall not in any other way be modified except in writing signed by both parties.

8.7 Entire Agreement. This Agreement expresses the complete and final understanding of the parties with respect to its subject matter.

IN WITNESS WHEREOF, the parties have executed this Agreement on March 19, 1985

Oak Park Elementary School
District No. 97

Village of Oak Park

BY 

By 

Its: President, Board of
Education

Its:

(91/NN)

R E S O L U T I O N

AUTHORIZING EXECUTION OF
SETTLEMENT AGREEMENT
BETWEEN VILLAGE OF OAK PARK
AND OAK PARK ELEMENTARY SCHOOL DISTRICT #97

BE IT RESOLVED by the President and Board of Trustees of the Village of Oak Park, Cook County, Illinois, that the Village President and Village Clerk are hereby authorized and directed to execute a settlement agreement with the Oak Park Elementary School District #97 to resolve an action against the Village in the Circuit Court of Cook County, Illinois, County Department, Law Division, captioned Oak Park Elementary School District #97, Plaintiff, v. Village of Oak Park, Defendant, and Edward J. Rosewell, Treasurer of Cook County, Illinois, Defendant, No. 84 L 51362. Said settlement agreement shall conform substantially to the agreement attached hereto and made a part hereof.

THIS RESOLUTION shall be in full force and effect from and after its adoption and approval as provided by law.

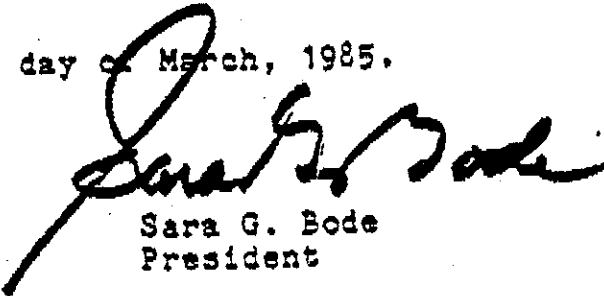
ADOPTED this 18th day of March, 1985 pursuant to a roll call vote as follows:

AYES: Trustees Kier, McMahon, Muriello, Philbin and Slaughter
and President Bode


NAYS: None

ABSENT: Trustee Korchek

APPROVED by me this 18th day of March, 1985.


Sara G. Bode
President

ATTEST:


Virginia R. Cassin
Village Clerk

ORDER

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

OAK PARK ELEMENTARY SCHOOL
DISTRICT No. 97,
Plaintiff

v.

VILLAGE OF OAK PARK,
Defendant,

EDWARD J. ROSEWELL, Treasurer
of Cook County, Illinois,
Defendant,

NO. 84 L 51363

ORDER

THIS MATTER coming before the Court on the stipulation to Dismiss the action executed by Plaintiff Oak Park Elementary School District No. 97 and Defendant Village of Oak Park,

The Court having jurisdiction over the parties and being fully advised in the premises,

IT IS HEREBY ORDERED,

That the action be and it hereby is dismissed with prejudice. Each party shall bear its own costs.

Atty No. 23382
Name Keck, Mahin & Cate
Attorney for Defendant
Address 233 S. Wacker Dr.
City Chicago, IL 60606
Telephone 312/876-3400

..... 19..

ENTER:

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Judge Judge's

Exhibit II

OF THE CIRCUIT COURT OF COOK COUNTY

IN THE CIRCUIT COURT OF COOK COUNTY, ILLINOIS
COUNTY DEPARTMENT, CHANCERY DIVISION

OAK PARK ELEMENTARY SCHOOL)
DISTRICT No. 97,)

Plaintiff,)

v.)

No. 84 L 51363)

VILLAGE OF OAK PARK,)

Defendant,)

EDWARD J. ROSEWELL, Treasurer)
of Cook County, Illinois,)

Defendant.)

STIPULATION TO DISMISS

Plaintiff Oak Park Elementary School District No. 97, by its attorneys Mayer, Brown & Platt and Defendant Village of Oak Park, by its attorneys Keck, Mahin & Cate, heraby stipulate and agree to the dismissal of this action with prejudice, all parties to bear their own costs.

Daniel Harris

Mayer, Brown & Platt
Attorneys for Plaintiff,
Oak Park Elementary
School District No. 97

Angelina Kusin

Keck, Mahin & Cate
Attorneys for Defendant
Village of Oak Park