

PARK DISTRICT OF LA GRANGE

ORDINANCE NUMBER 10-10

**ORDINANCE APPROVING FIRST AMENDMENT
OF AN AGREEMENT FOR TRANSFERS OF PROPERTY
BY THE PARK DISTRICT OF LA GRANGE
TO THE VILLAGE OF LA GRANGE
AND BY THE VILLAGE OF LA GRANGE
TO THE PARK DISTRICT OF LA GRANGE**

Passed by the Board of Park Commissioners, December 16 2010

Printed and Published, December 13, 2010

**PARK DISTRICT OF LA GRANGE,
COOK COUNTY, ILLINOIS**

ORDINANCE NO. 10-10

**ORDINANCE APPROVING FIRST AMENDMENT
OF AN AGREEMENT FOR TRANSFERS OF PROPERTY
BY THE PARK DISTRICT OF LA GRANGE
TO THE VILLAGE OF LA GRANGE
AND BY THE VILLAGE OF LA GRANGE
TO THE PARK DISTRICT OF LA GRANGE**

WHEREAS, the Park District of La Grange and the Village of La Grange have entered into an "Agreement for Transfers of Property by the Park District of La Grange to the Village of La Grange and by the Village of La Grange to the Park District of La Grange" executed on November 10, 2008 by the Park District and the Village (the "Property Transfer Agreements"); and

WHEREAS, said transfers were performed pursuant to the Illinois Transfer of Real Estate between Municipal Corporations statute, 50 ILCS 605/1- *et seq.*; and

WHEREAS, by letter agreements dated December 29, 2009 and January 26, 2010. The Park District and the Village agree to extend the time limit for these agreements, originally set for December 31, 2009, to December 31, 2010; and

WHEREAS, the Park District and the Village have determined that the property transfers affected by the Property Transfer Agreements are important to both the Village and the Park District and it remains useful to and appropriate for both parties to extend the time limit until December 31, 2012.

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF COMMISSIONERS OF THE PARK DISTRICT OF LA GRANGE AS FOLLOWS:

SECTION 1. That the above-stated preamble paragraphs are incorporated as though fully set forth herein.

SECTION 2. That the President and Secretary of the Park District of La Grange are hereby authorized to execute the First Amendment of an Agreement for Transfers of Property by the Park District of La Grange to the Village of La Grange and by the Village of La Grange to the Park District of La Grange, attached hereto as Exhibit A. Said First Amendment is hereby approved.

SECTION 3. Effective Date. This Ordinance and the attached Amendment shall be in full force and effect from and after its passage, approval and publication as provided by law.

PASSED THIS 16 DAY OF December, 2010

AYES: Commissioners: Kelpcar, Walsh, Belcastor +
Penicook

NAYS: NONE.


ABSENT: Commissioner ASHBG.

APPROVED THIS 16 DAY OF December, 2010.

Park District of La Grange

By: Mary Ellen Penicook
Mary Ellen Penicook, Board President

ATTEST:


Constantine Bissias, Board Secretary

**FIRST AMENDMENT OF AN AGREEMENT
FOR TRANSFERS OF PROPERTY
BY THE PARK DISTRICT OF LA GRANGE
TO THE VILLAGE OF LA GRANGE
AND BY THE VILLAGE OF LA GRANGE
TO THE PARK DISTRICT OF LA GRANGE**

This First Amendment of an Agreement for Transfers of Property by the Park District of La Grange to the Village of La Grange and by the Village of La Grange to the Park District of La Grange (this "*First Amendment*") is dated as of December 13, 2010, (the "*Effective Date*") and is made by the VILLAGE OF LA GRANGE, an Illinois municipal corporation, (the "*Village*") and the PARK DISTRICT OF LA GRANGE, an Illinois park district (the "*Park District*").

Section 1. Recitals

A. This First Amendment amends the agreement titled "An Agreement for Transfers of Property by the Park District of La Grange to the Village of La Grange and by the Village of La Grange to the Park District of La Grange," executed on November 10, 2008, by the Village and the Park District (the "*Property Transfer Agreement*").

B. As provided in the Property Transfer Agreement, the Park District has transferred property commonly known as vacated Shawmut Avenue (the "*PD Transfer Property*") to the Village and the Village has transferred property commonly known as the east half of Lot 14 (the "*Village Transfer Property*") to the Park District (the two property transfers being referred to collectively as the "*Property Transfers*").

C. The Property Transfers were undertaken in contemplation of a particular redevelopment project defined in the Property Transfer Agreement as the "*Redevelopment*."

D. The Park District currently intends to incorporate the Village Transfer Property into future improvements to its park called Gordon Park (the "*Gordon Park Improvements*"), and the Village currently intends to use the PD Transfer Property as public right-of-way, which the Village will improve (or cause to be improved) at the time the property at the northeast quadrant of the intersection of La Grange Road and Ogden Avenue (the "*Northeast Quadrant*") is redeveloped.

E. Section 10(I) of the Property Transfer Agreement provides that ownership of the PD Transfer Property will revert automatically to the Park District and ownership of the Village Transfer Property will revert automatically to the Village if certain activities related to redevelopment of the Northeast Quadrant (the "*Redevelopment Activities*") have not been undertaken by December 31, 2009, or some later date certain to which the Park District and the Village may agree in writing (the "*Time Limit*").

F. By letter agreement dated December 29, 2009, (the “*Village 2009 Letter*”) the Park District and the Village agreed to extend the Time Limit to January 31, 2010.

G. By letter agreement dated January 26, 2010 (the “*January 2010 Letter*”), the Park District and the Village agreed to extend the Time Limit further, to December 31, 2010.

H. The developer approved by the Village to undertake the Redevelopment has not undertaken any Redevelopment Activities as of the Effective Date of this First Amendment.

I. Although the Redevelopment has been delayed and may never be undertaken in the form it was approved by the Village, the Park District and the Village acknowledge and agree that the Property Transfers remain necessary and important components of the Gordon Park Improvements and necessary and important components of the eventual redevelopment of the Northeast Quadrant regardless of what developer undertakes that redevelopment and regardless of whether the type and scope of redevelopment is changed.

J. The Park District and the Village thus have determined that it remains useful to, and appropriate for, both parties to extend the Time Limit until December 31, 2012.

K. This First Amendment amends the Property Transfer Agreement and supersedes the December 2009 Letter and the January 2010 Letter.

Section 2. Amendment of Section 10 of Property Transfer Agreement

Existing Subsections A, B, H, and I of Section 10 of the Property Transfer Agreement are amended, and a new Subsection J is added to Section 10, as follows:

Section 10. Terms and Conditions Related to Transfer Properties

A. Removal of Maintenance Shed; Remediation. The Park District, on its own or through a third party, will cause the Maintenance Shed to be demolished in its entirety and removed from the PD Transfer Property before the continued existence of the Maintenance Shed materially affects commencement of on-site development activities, as reasonably determined by the Parties, on a development project approved by the Village. In addition, the Park District, promptly after the Maintenance Shed is demolished, will (1) cause one or more borings to be taken of the soil from the PD Transfer Property in the area of the Maintenance Shed, (2) cause that soil to be properly tested for contaminants, and (3) to the extent required by applicable federal or State of Illinois regulations, remediate any adverse environmental condition within the PD Transfer Property related to the Maintenance

Shed, subject only to the exception stated in the next sentence of this Subsection A. The Park District may reasonably determine not to remediate the PD Transfer Property because the expense of the remediation is beyond the Park District's means. In that case, the Park District agrees to indemnify, defend, and hold harmless the Village from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses that may arise in connection with any such adverse environmental condition, and the Park District must enter into an environmental protection agreement with the Village, in a form reasonably acceptable to the Village, fully setting forth that agreement.

B. Continued Use of Transferred Properties; Indemnifications. Until such time as continued use of the PD Transfer Property or continued use of the Village Transfer Property materially affects commencement of on-site development activities on a development project approved by the Village, the Park District and the Village agree that the PD Transfer Property and the Village Transfer Property may continue to be used as follows:

[Paragraphs B(1) through B(5) ***unchanged***]

[Subsections C, D, E, F, and G ***unchanged***]

H. Intersection of Locust Avenue and Ogden Avenue. The Park District and the Village acknowledge (1) that there is uncertainty about the ownership of a small portion of the land necessary for the connection of Locust Avenue to Ogden Avenue generally in the manner depicted in Exhibit D to this Agreement (the "*Ogden Connection*") and (2) that the Illinois Department of Transportation ("*IDOT*"), which owns Ogden Avenue, may require a reconfiguration of the currently proposed Ogden Connection depicted in Exhibit D to this Agreement (the "*Reconfigured Ogden/Locust Intersection*"). If the Park District owns some of the land necessary for the Ogden Connection, or if the Park District owns property within which a portion of the Reconfigured Ogden/Locust Intersection must be located as required by IDOT, then the Park District will convey title to that land promptly to the Village, in fee simple and without additional compensation to the Park District, for use by the Village as part of the Ogden Connection or the Reconfigured Ogden/Locust Intersection, as applicable. Further, the Park District and the Village acknowledge that the timing of construction of improvements to public rights-of-way within the Redevelopment Property are contingent on the timing of the Redevelopment. The parties also acknowledge that the redevelopment of Gordon Park will be enhanced by improvements to public rights-of-way, particularly the adjacent intersection of Locust Avenue and Ogden Avenue. The parties therefore agree that they will jointly, promptly, and diligently pursue

meetings, negotiations, and agreements with IDOT for, and actual construction of, stoplights and other improvements to the intersection of Locust Avenue and Ogden Avenue in generally the manner depicted in Exhibit D to this Agreement.

I. Reverter. The Park District acknowledges that the Village Transfer Property is subject to a right of reverter in favor of the Village, and the Village acknowledges that the PD Transfer Property is subject to a right of reverter in favor of the Park District. Subject to the options of the parties stated in the last sentence of this Subsection I, if earthmoving activity for redevelopment of the Y Property (pursuant to an ordinance adopted by the Village's Board of Trustees approving redevelopment of the Y Property) has not commenced by December 31, 2012, or some later date certain to which the Park District and the Village may agree in writing (the "*Reverter Trigger*"), then the PD Transfer Property will revert automatically to the Park District and the Village Transfer Property will revert automatically to the Village. The Park District, at the Closing, will deliver to the Village a quitclaim deed conveying the Village Transfer Property to the Village at the occurrence of the Reverter Trigger, and the Village, at the Closing, will deliver to the Park District a quitclaim deed conveying the PD Transfer Property to the Park District at the occurrence of the Reverter Trigger. The rights of reverter expire automatically when earthmoving activity has commenced on the Y Property as provided in this Subsection I. At any time prior to December 31, 2012, the parties may waive the reverter rights and Reverter Trigger in this paragraph, thus extinguishing the automatic reverter, or may extend the time period for the Reverter Trigger to a date certain beyond December 31, 2012, or may change the earthmoving-activity condition of the Reverter Trigger to some different condition, by letter agreement executed by the President of the Village and the President of the Park District's Board of Commissioners.

J. No Material Changes during Continuing Use of Transfer Properties; No Compelled Changes. Notwithstanding the provisions of Paragraphs B(1) and B(2) of this Section 10, neither the Village as part of its continuing use of the Village Transfer Property, nor the Park District as part of its continuing use of the PD Transfer Property, will (1) significantly change the grade of that property, (2) install any permanent fixture or equipment in or on that property, or (3) otherwise materially change that property, without the prior express written consent of the other party. In addition, during the continuing use period the Village may not compel the Park District to make improvements on or to the Village Transfer Property and the Park District may not compel the Village to make improvements on or to the PD Transfer Property.

K. Applicability to Revised Redevelopment Activities. Notwithstanding references throughout this Agreement to particular redevelopment activities within Gordon Park or to the particular Redevelopment of the Redevelopment Property, the Park District and the Village acknowledge and agree that the redevelopment of Gordon Park may proceed with plans, specifications, and elements different from those in place or contemplated as of the Execution Date and that the plans, specifications, and elements of the Redevelopment and the configuration of the Redevelopment Property may be modified or redefined in manners different from those in place or contemplated as of the Execution Date. The Park District and the Village agree that this Agreement and the transfers of the PD Transfer Property and the Village Transfer Property are useful, valid, and appropriate for the redevelopment of Gordon Park as it may be modified or redefined and for redevelopment of the Y Property, and additional adjacent property as appropriate, as it may be modified or redefined and approved by the Village.

Section 3. General Provisions of First Amendment

A. Definitions. Words and terms not defined in this First Amendment will have the same meanings provided in the Property Transfer Agreement.

B. Governing Law. This Amendment is governed by and enforced in accordance with the internal laws of, but not the conflicts of laws rules of, the State of Illinois.

C. Entire Agreement. This First Amendment constitutes the entire agreement between the parties with respect to the Time Limit for automatic reverter under the Property Transfer Agreement, and this First Amendment supersedes every prior agreement and negotiation between the parties, whether written or oral, relating to the subject matter of this First Amendment.

D. Continuing Effect of Property Transfer Agreement. The Property Transfer Agreement and all of its provisions remain in full force and effect as specifically amended by this First Amendment, including without any limitation all of the potential ancillary conveyances of land described in the Property Transfer Agreement.

E. First Amendment Properly Approved. The Park District and the Village each represent that this First Amendment has been properly approved by it and signed by a duly authorized representative of it, as required by Subsection 12F of the Property Transfer Agreement.

F. Amendments and Modifications. No amendment of or modification to this First Amendment will be effective unless and until it is reduced to writing and

approved and executed by all parties to this Amendment in accordance with all applicable statutory procedures.

G. No Third Party Beneficiaries. No claim as a third party beneficiary under this Amendment by any person, firm, or corporation may be made, or be valid, against any of the parties.

IN WITNESS WHEREOF, the parties hereto have executed this Amendment as of the Execution Date.

PARK DISTRICT OF LA GRANGE

Signature: Maryellen Penicook
Printed Name: Mary Ellen Penicook
Title: President

Attest:

Signature: Constantine Bissia
Printed Name: Constantine Bissia
Title: Secretary to the Board

VILLAGE OF LA GRANGE

Signature: Elizabeth M. Asperger
Printed Name: Elizabeth M. Asperger
Title: Village President

Attest:

Signature: Robert N. Milne
Printed Name: Robert N. Milne
Title: Village Clerk

VILLAGE OF LA GRANGE
Administration

BOARD REPORT

TO: Village President, Village Clerk, Board of Trustees and Village Attorney

FROM: Robert J. Pilipiszyn, Village Manager

DATE: November 10, 2008

RE: **INTERGOVERNMENTAL AGREEMENT & ORDINANCE – YMCA
REDEVELOPMENT PROJECT / LAND EXCHANGE BETWEEN THE
VILLAGE OF LA GRANGE AND THE PARK DISTRICT OF LA
GRANGE**

In April, the Village Board approved a mixed use redevelopment project at the northeast corner of La Grange Road and Ogden Avenue. The land use approval requires the developer to achieve or satisfy a number of conditions. Among those many conditions, the developer is required to reconstruct Shawmut Avenue and Locust Avenue.

The improvement of Shawmut Avenue requires use of property currently owned by the Park District of La Grange. The land use approval recognizes that the Village has to reach an agreement with the Park District that allows for the dedication of the necessary right-of-way in order for this improvement to be constructed.

In the spirit of intergovernmental cooperation between the Village and the Park District, it was discussed and agreed in concept that an even exchange of parcels would facilitate mutual interests for the comprehensive redevelopment of property in this geographic area of the Village.

The land exchange generally consists of the Village dedicating the East half of Parking Lot 14 to the Park District, while the Park District would dedicate to the Village, the vacated Shawmut Avenue right-of-way which runs along the length of the North side of the YMCA redevelopment project site. The area of the subject parcels is 33,741square feet and 33,086 square feet, respectively.

This matter was scheduled for action by the Village Board at its regular meeting on September 22, 2008, but was tabled for additional legal review by both parties.

The draft agreement previously before the Village Board has since been modified to be responsive to Park District concerns regarding the assignment and scope of responsibility for potential environmental remediation in the vicinity of the Park District maintenance shed and the unknown amount of additional land which may be required by the Village as it relates to the reconfiguration

and signalization of the intersection of Ogden Avenue and Locust Avenue. Those matters have since been resolved as follows:

1. The agreement recognizes that the Park District may assign demolition of the maintenance shed and remediation of any adverse environmental conditions. (The maintenance shed is located partly on the Shawmut Avenue property to be transferred to the Village.) The agreement also stipulates that the Park District will conduct environmental testing and if contaminated, the Park District may elect to either incur the expense of remediation or enter into an agreement with the Village to assume all environmental liability related to the property.
2. To offset the small amount of land required by the Village to reconfigure the intersection of Ogden Avenue and Locust Avenue, the Village has agreed to convey an additional strip of Village land (0.2824 acres in area) adjacent to the east side of Gordon Park. It is more commonly known as the west side of the Hazel Avenue public right-of-way and its general location is between Shawmut Avenue to the north and the access road to the water tower to the south. The Park District intends to use this area as additional parking to serve a redeveloped Gordon Park.

Attached for your consideration is a revised intergovernmental agreement which provides for the exchange of land between the Village and the Park District as described within this report. Maps depicting the precise location and boundaries of the involved parcels are included in the agreement as exhibits. Also attached for your consideration is an Ordinance which requests that the Park District transfer title in the subject property to the Village pursuant to the intergovernmental agreement.

Other key elements of the agreement are generally found in Section 10 and are as follows:

1. The subject parcels will revert back to original ownership if redevelopment of the YMCA property has not commenced within the next year.
2. The Village and the Park District will continue to maintain and operate the subject parcels as they currently exist until construction begins for the YMCA redevelopment project.

The Park District Board of Commissioners unanimously approved this agreement at its meeting on October 23, 2008.

It is our recommendation that the agreement and ordinance be approved.

**AN AGREEMENT FOR TRANSFERS OF PROPERTY
BY THE PARK DISTRICT OF LA GRANGE
TO THE VILLAGE OF LA GRANGE
AND BY THE VILLAGE OF LA GRANGE
TO THE PARK DISTRICT OF LA GRANGE**

THIS AGREEMENT (the "*Agreement*") is dated as of November 10, 2008, (the "*Execution Date*") and is made by the VILLAGE OF LA GRANGE, an Illinois municipal corporation, (the "*Village*") and the PARK DISTRICT OF LA GRANGE, an Illinois park district (the "*Park District*").

Section 1. Recitals

A. Recitals Related to Acquisition of YMCA and Park District Property by Developer.

- (1) The Greater La Grange YMCA (the "*YMCA*") owns property (the "*Y Property*") at the northeast corner of the intersection of Ogden Avenue and La Grange Road within the Village.
- (2) The YMCA moved its facilities out of the Y Property and entered into a contract to sell that property to a developer (the "*Developer*").
- (3) The Park District owns a park known as Gordon Park, which is located adjacent to and east of the Y Property.
- (4) The Park District also owns other parcels of property adjacent to the Y Property that are not integral to Gordon Park and that the Park District has determined are no longer necessary or useful to the Park District (the "*PD Sale Property*").
- (5) The Park District has entered into a contract for sale of the PD Sale Property to the Developer.
- (6) The Park District intends to use a substantial part of the proceeds from the sale of the PD Sale Property to undertake a comprehensive redevelopment of Gordon Park.

B. Recitals Related to Redevelopment.

- (1) The Village has approved the Developer's plans for redevelopment of the Y Property, the PD Sale Property, and related publicly owned property (collectively the "*Redevelopment Property*") with multiple-family dwellings, townhouses, and retail uses (the "*Redevelopment*").

- (2) It is necessary that Shawmut Avenue, Locust Avenue, and related circulation elements within the Redevelopment Property be improved as public rights-of-way to properly serve Gordon Park and the dwellings and retail uses within the Redevelopment.

C. Recitals Related to Property Transfers By Park District and Village.

- (1) The Park District owns property commonly known as vacated Shawmut Avenue on which, for public purposes, a public road and related improvements will be built, which property is depicted and legally described in Exhibit A to this Agreement (the "*PD Transfer Property*"). The Park District is willing to convey the PD Transfer Property to the Village pursuant to the authority they have under the Illinois Local Government Property Transfer Act, 50 ILCS 605/0.01 *et seq.* (the "*Property Transfer Act*").
- (2) The Village owns property commonly known as the east half of Lot 14 that the Park District desires to own as part of Gordon Park, which property is depicted and legally described in Exhibit B to this Agreement (the "*Village Transfer Property*"). The Village is willing to convey the Village Transfer Property to the Park District under the Property Transfer Act.
- (3) The Village and the Park District have the authority to transfer real property to each other under the Property Transfer Act and the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*

Section 2. Transfer of PD Transfer Property to Village

The Park District will take all necessary and appropriate actions under the Property Transfer Act and will transfer to the Village all of the Park District's right, title, and interest in and to the PD Transfer Property by delivering to the Village, at a closing scheduled by the Park District and the Village not less than 15 days after the Execution Date or at such other time as agreed by the parties (the "*Closing*"), a fully executed, recordable, stamped warranty deed subject only to the PD Transfer Property Permitted Exceptions as defined in Subsection 4A of this Agreement.

Section 3. Transfer of Village Transfer Property to Park District

The Village will take all necessary and appropriate actions under the Property Transfer Act and will transfer to the Park District all of the Village's right, title, and interest in and to the Village Transfer Property by delivering to the Park District at the Closing a fully executed, recordable, stamped warranty deed subject only to the Village Transfer Property Permitted Exceptions as defined in Subsection 4B of this Agreement.

Section 4. Title Insurance

A. Title Commitment and Permitted Exceptions Related to PD Transfer Property.

- (1) The Park District will obtain and provide to the Village, at the Park District's expense, a title commitment from Chicago Title Insurance Company (the "*Title Company*") dated after the Execution Date for an ALTA Form B-1999 Title Policy for the PD Transfer Property in the amount of \$10,000.00, together with copies of all recorded documents referred to therein (the "*PD Transfer Property Title Commitment*").
- (2) If, not less than 10 days prior to the Closing, the Village notifies the Park District in writing about exceptions to title disclosed by the PD Transfer Property Title Commitment that are objectionable, then the Park District will promptly take all necessary actions to have those title defects cured or insured over and the Village and the Park District will extend the date of the Closing until the Park District has removed or caused the Title Company to insure over those title defects.

If the Village does not object to any title exceptions prior to the applicable dates, then the Village will have waived its right to object thereto and all such matters thereafter will be deemed permitted exceptions to title (the "*Permitted PD Transfer Property Exceptions*").

B. Title Commitment and Permitted Exceptions Related to Village Transfer Property.

- (1) The Village will obtain and provide to the Park District, at the Village's expense, a title commitment from the Title Company dated after the Execution Date for an ALTA Form B-1999 Title Policy for the Village Transfer Property in the amount of \$10,000.00, together with copies of all recorded documents referred to therein (the "*Village Transfer Property Title Commitment*").
- (2) If, not less than 10 days prior to the Closing, the Park District notifies the Village in writing about exceptions to title disclosed by the Village Transfer Property Title Commitment that are objectionable, then the Village will promptly take all necessary actions to have those title defects cured or insured over and the Park District and the Village will extend the date of the Closing until the Village has removed or caused the Title Company to insure over those title defects.

If the Park District does not object to any title exceptions prior to the applicable dates, then the Park District will have waived its right to object thereto and all such matters thereafter will be deemed permitted exceptions to title (the "*Permitted Village Transfer Property Exceptions*").

C. Title Policies.

- (1) The Village, at the Village's expense, will provide the Park District at the Closing with an owner's title policy for the Village Transfer Property, issued by the Title Company in accordance with the terms of the Village Transfer Property Title Commitment and the next sentence of this Paragraph (1), subject only to the Permitted Village Transfer Property Exceptions. The policy must provide for extended coverage.
- (2) The Park District, at the Park District's expense, will provide the Village at the Closing with an owner's title policy for the PD Transfer Property, issued by the Title Company in accordance with the terms of the PD Transfer Property Title Commitment, subject only to the Permitted PD Transfer Property Exceptions. The title policy must include an endorsement from the Title Company regarding the encroachment into the PD Transfer Property of the maintenance shed and appurtenances owned by the Park District (collectively the "*Maintenance Shed*"). The Park District will pay all costs for the Maintenance Shed endorsement. The policy must provide for extended coverage.

Section 5. Closing; Costs

The cost of recording each deed will be paid by the grantee. The Village and the Park District each will execute and deliver to the other such items as may be reasonably requested to consummate the Closing, including but not limited to execution of all necessary forms from the Title Company to effectuate a "New York Style" closing, including without limitation a GAP Undertaking and an ALTA Statement. For each transfer at the Closing, each party will bear the traditional costs of the grantor and grantee as applicable.

Section 6. No Real Estate Taxes

The Village represents that the Village Transfer Property currently is exempt from real estate taxes because of its ownership by the Village and, therefore, no real estate taxes should be due or payable at the Closing. The Park District represents that the PD Transfer Property currently is exempt from real estate taxes because of its ownership by the Park District and, therefore, no real estate taxes should be due or payable at Closing.

Section 7. Representations and Warranties of Park District

The Park District represents and warrants to the Village that, as of the date of this Agreement and the date of the Closing:

- (1) The Park District owns fee simple title to the PD Transfer Property;

- (2) The persons executing this Agreement on behalf of the Park District, and executing and delivering any other agreement or other item contemplated by this Agreement or otherwise required to fulfill the Park District's obligations hereunder, have full authority to bind the Park District to such obligations and to so act on behalf of the Park District;
- (3) There are no persons in possession of, or having a right to possession of, any part of the PD Transfer Property other than the Park District;
- (4) The Park District has the authority and the legal right to make, deliver, and perform this Agreement and has taken all necessary actions and obtained all required consents and approvals to authorize the execution, delivery, and performance of this Agreement;
- (5) The Park District has not entered into any options, purchase and sale agreements, leases, service contracts, or other contracts affecting the PD Transfer Property other than this Agreement;
- (6) The execution, delivery, and performance of this Agreement is not prohibited by any requirement of law or under any contractual obligation of the Park District, will not result in a breach or default under any agreement to which the Park District is a party or to which the Park District is bound, and will not violate any restriction, court order, or agreement to which the Park District is subject;
- (7) The Park District has no knowledge of any liability, responsibility, or obligations, whether fixed, unliquidated, absolute, contingent, or otherwise, under any federal, State of Illinois, or local environmental laws or regulations, including any liability, responsibility, or obligation for fines or penalties, or for investigation, expense, removal, or remedial action to effect compliance with or discharge any duty, obligation, or claim under any such laws or regulations, and the Park District has no reason to believe that any claims, actions, suits, proceedings, or investigations under such laws or regulations exist or may be brought or threatened. Further, the Park District has no knowledge of any prior or present release or threatened release, as those terms are defined in CERCLA, at or in the vicinity of the PD Transfer Property of any hazardous substance (as defined under applicable environmental laws) or petroleum; and
- (8) The Park District has not received any notices from any governmental authority with respect to the PD Transfer Property that have not been corrected.

Section 8. Representations and Warranties of Village

The Village represents and warrants to the Park District that, as of the date of this Agreement and the date of the Closing:

- (1) The Village owns fee simple title to the Village Transfer Property;
- (2) The persons executing this Agreement on behalf of the Village, and executing and delivering any other agreement or other item contemplated by this Agreement or otherwise required to fulfill the Village's obligations hereunder, have full authority to bind the Village to such obligations and to so act on behalf of the Village;
- (3) There are no persons in possession of, or having a right to possession of, any part of the Village Transfer Property other than the Village, except persons with decals issued by the Village granting parking privileges within the Village Transfer Property, which parking privileges will be relocated or otherwise extinguished from the Village Transfer Property prior to the occurrence of the earthmoving activity described in Subsection 10B of this Agreement;
- (4) The Village has the authority and the legal right to make, deliver, and perform this Agreement and has taken all necessary actions and obtained all required consents and approvals to authorize the execution, delivery, and performance of this Agreement;
- (5) The Village has not entered into any options, purchase and sale agreements, leases, service contracts, or other contracts affecting the Village Transfer Property other than this Agreement;
- (6) The execution, delivery, and performance of this Agreement is not prohibited by any requirement of law or under any contractual obligation of the Village, will not result in a breach or default under any agreement to which the Village is a party or to which the Village is bound, and will not violate any restriction, court order, or agreement to which the Village is subject;
- (7) The Village has no knowledge of any liability, responsibility, or obligations, whether fixed, unliquidated, absolute, contingent, or otherwise, under any federal, State of Illinois, or local environmental laws or regulations, including any liability, responsibility, or obligation for fines or penalties, or for investigation, expense, removal, or remedial action to effect compliance with or discharge any duty, obligation, or claim under any such laws or regulations, and the Village has no reason to believe that any claims, actions, suits, proceedings, or investigations under such laws or regulations exist or may be brought or threatened.

Further, the Village has no knowledge of any prior or present release or threatened release, as those terms are defined in CERCLA, at or in the vicinity of Village Transfer Property of any hazardous substance (as defined under applicable environmental laws) or petroleum; and

- (8) The Village has not received any notices from any governmental authority with respect to the Village Transfer Property that have not been corrected.

Section 9. Accuracy of Representations as of Closing; Survival

As a condition to the Closing for the benefit of each party, the representations and warranties of each party in Sections 7 and 8 of this Agreement must be true and correct at the time of the Closing. Each party must promptly notify the other in the event that either party has actual knowledge that a representation or warranty of that party set forth in Section 7 or 8 is not true and correct. The representations and warranties in Sections 7 and 8 of this Agreement will survive the Closing.

Section 10. Terms and Conditions Related to Transfer Properties

A. Removal of Maintenance Shed; Remediation. The Park District, on its own or through a third party, will cause the Maintenance Shed to be demolished in its entirety and removed from the PD Transfer Property immediately at, or promptly after, the commencement of the earthmoving activity described in Subsection B of this Section. In addition, the Park District, promptly after the Maintenance Shed is demolished, will (1) cause one or more borings to be taken of the soil from the PD Transfer Property in the area of the Maintenance Shed, (2) cause that soil to be properly tested for contaminants, and (3) to the extent required by applicable federal or State of Illinois regulations, remediate any adverse environmental condition within the PD Transfer Property related to the Maintenance Shed, subject only to the exception stated in the next sentence of this Subsection A. The Park District may reasonably determine not to remediate the PD Transfer Property because the expense of the remediation is beyond the Park District's means. In that case, the Park District agrees to indemnify, defend, and hold harmless the Village from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses that may arise in connection with any such adverse environmental condition, and the Park District must enter into an environmental protection agreement with the Village, in a form reasonably acceptable to the Village, fully setting forth that agreement.

B. Continued Use of Transferred Properties; Indemnifications. Until the Developer has posted performance security with the Village and commenced earthmoving activity for the Redevelopment, or until such other time as the Park District and the Village agree:

- (1) The Park District may continue to use the PD Transfer Property after the Closing for park and recreation purposes in the same manner as that

property had been used by the Park District immediately prior to the Closing.

- (2) The Village may continue to use the Village Transfer Property after the Closing for parking and related uses in the same manner as that property had been used by the Village immediately prior to the Closing.
- (3) Each party may keep, in the same manner as existed prior to the Closing, revenue derived from operations or programs related to that party's Transfer Property.
- (4) The Park District will indemnify and defend the Village against any and all claims, actions, and liabilities of any kind related to or arising out of the Park District's use of the PD Transfer Property after the Closing. Specifically, but without any limitation on the scope of the previous sentence, the Park District will indemnify and defend the Village against any and all claims, actions, and liabilities of any kind related to or arising out of the use by the Park District, or by any other person or entity, except the Village, of the Maintenance Shed. In addition, the Park District will indemnify, defend, and hold harmless the Village from any and all claims, judgments, damages, penalties, fines, costs, liabilities, or losses that may arise in connection with any adverse environmental condition or liability related to the Maintenance Shed. This indemnification of the Village by the Park District includes, without limitation, costs incurred in connection with any future, required investigation of site conditions or any cleanup, remediation, removal, or restoration work required by any governmental authority.
- (5) The Village will indemnify and defend the Park District against any and all claims, actions, and liabilities of any kind related to or arising out of the Village's use of the Village Transfer Property after the Closing, specifically including, without limitation, any claim by any person relating to parking decals and the right to continue to use the Village Transfer Property for parking beyond the occurrence of the earthmoving activity described in this Subsection B.

C. No Subletting or other Transfers. During the time the Village may continue to use the Village Transfer Property after Closing, the Village may not sublet or in any other manner transfer any right of possession or use it has to the Village Transfer Property to any person or entity. During the time the Park District may continue to use the PD Transfer Property after Closing, the Park District may not sublet or in any other manner transfer any right of possession or use it has to the PD Transfer Property to any person or entity. Any attempt by a party to transfer any such right of possession or use in violation of this Subsection C is a nullity and will be deemed a breach of this Agreement.

D. No Liens or other Encumbrances. After the Closing, the Village may not allow any lien or any encumbrance of any kind to be placed or maintained on or against the Village Transfer Property at any time, and the Park District may not allow any lien or any encumbrance of any kind to be placed or maintained on or against the PD Transfer Property, at any time except only as provided in Subsection E of this Section for the temporary construction easement on the Village Transfer Parcel. If any encumbrance is placed in violation of this Subsection D as a result of any action or omission of the party, then that party must promptly cause, at its own expense, that encumbrance to be removed or otherwise extinguished.

E. Temporary Construction Easement Over Village Transfer Property. The Park District will grant to the Village, or to the Developer at the Village's direction, a temporary easement over a portion of the Village Transfer Property for ingress, egress, and construction activities related to construction of Locust Avenue and the Redevelopment (a "*Construction Easement*"). The Construction Easement will include reasonable and typical terms for the use and care of the easement premises.

F. Village Commitment of Additional Parcel of Land For Redevelopment of Gordon Park. The Village agrees and commits to transfer to the Park District, in accordance with the standards of the Property Transfer Act and at the time when construction is commencing on the redevelopment of Gordon Park, all of the Village's ownership rights, title, and interest (except easements as described later in this Subsection F) in a parcel of property located along the east side of Gordon Park and the west side of Hazel Avenue (the "*Additional Village Parcel*"), as generally depicted in Exhibit C to this Agreement. The Village will transfer the Additional Village Parcel to the Park District without additional compensation to the Village. The Park District will incorporate the Additional Village Parcel as part of the redeveloped Gordon Park for a paved parking lot or open space. The Village will reserve easement rights in the Additional Village Parcel related to underground public utilities within the parcel. The Park District will not construct any structure on the Additional Village Parcel or otherwise impede the Village's ability to maintain, repair, replace, or otherwise manage the underground utilities.

G. Additional Land for Intersection of Shawmut and Locust Avenues. The Park District and the Village acknowledge that the intersection of reconstructed Shawmut Avenue and Locust Avenue may be designed and constructed to create a traffic circle or island or similar traffic-calming design (the "*New Shawmut/Locust Intersection*"). The construction of the New Shawmut/Locust Intersection thus may require a small amount of additional land adjacent to the existing Shawmut and Locust intersection. If such additional land is required and that additional land is owned by the Park District, then the Park District will convey title to that land promptly to the Village, in fee simple and without additional compensation to the Park District, for use by the Village as part of the New Shawmut/Locust Intersection.

H. Ownership of Land for Connection of Locust Avenue to Ogden Avenue. The Park District and the Village acknowledge (1) that there is uncertainty about the

ownership of a small portion of the land necessary for the connection of Locust Avenue to Ogden Avenue generally in the manner depicted in Exhibit D to this Agreement (the "*Ogden Connection*") and (2) that the Illinois Department of Transportation ("*IDOT*"), which owns Ogden Avenue, may require a reconfiguration of the currently proposed Ogden Connection depicted in Exhibit D to this Agreement (the "*Reconfigured Ogden/Locust Intersection*"). If the Park District owns some of the land necessary for the Ogden Connection, or if the Park District owns property within which a portion of the Reconfigured Ogden/Locust Intersection must be located as required by IDOT, then the Park District will convey title to that land promptly to the Village, in fee simple and without additional compensation to the Park District, for use by the Village as part of the Ogden Connection or the Reconfigured Ogden/Locust Intersection, as applicable.

I. Reverter. The Park District acknowledges that the Village Transfer Property is subject to a right of reverter in favor of the Village, and the Village acknowledges that the PD Transfer Property is subject to a right of reverter in favor of the Park District. Pursuant to La Grange Ordinance No. 0-08-07, the PD Transfer Property is to be constructed as the Shawmut Avenue public roadway owned by the Village and the Village Transfer Property is to be developed as part of a renovated Gordon Park, if the Developer builds the Redevelopment on the Redevelopment Property. If the Developer has not (1) posted performance security with the Village in a form satisfactory to the Village and (2) commenced earthmoving activity for the Redevelopment by December 31, 2009, or some later date certain to which the Park District and the Village may agree in writing (the "*Reverter Trigger*"), then the PD Transfer Property will revert automatically to the Park District and the Village Transfer Property will revert automatically to the Village. The Park District, at the Closing, will deliver to the Village a quitclaim deed conveying the Village Transfer Property to the Village at the occurrence of the Reverter Trigger, and the Village, at the Closing, will deliver to the Park District a quitclaim deed conveying the PD Transfer Property to the Park District at the occurrence of the Reverter Trigger. The rights of reverter expire automatically when the Developer has posted performance security and commenced earthmoving activity as provided in this Subsection I.

Section 11. Breach

A. Park District Breach. If the Park District breaches any of its obligations under this Agreement, and the Village is not in breach of any of its obligations hereunder, then the Village may send written notice of breach to the Park District. If the Park District does not cure the breach within 30 days after receipt of the notice of breach, then the Village may terminate this Agreement.

B. Village Breach. If the Village breaches any of its obligations under this Agreement, and the Park District is not in breach of any of its obligations hereunder, then the Park District may send written notice of breach to the Village. If the Village does not cure the breach within 30 days after receipt of the notice of breach, then the Park District may terminate this Agreement.

Section 12. General Provisions

A. Notice. Any notice or communication required or permitted to be given under this Agreement must be in writing and be delivered (i) personally, (ii) by a reputable overnight courier, (iii) by certified mail, return receipt requested, and deposited in the U.S. Mail, postage prepaid, or (iv) by facsimile. Facsimile notices will be deemed delivered on the date of facsimile transmission to the applicable facsimile number, provided that such transmission is followed by delivery of actual notice in the manner described in either (i), (ii), or (iii) above within three business days thereafter at the appropriate address set forth below. Unless otherwise expressly provided in this Agreement, notices will be deemed received on the earlier of (a) actual receipt, (b) one business day after deposit with an overnight courier as evidenced by a receipt of deposit, or (c) three business days after deposit in the U.S. mail, as evidenced by a return receipt. By notice complying with the requirements of this Section, each party has the right to change the address or the addressee, or both, for all future notices and communications to such party, but no notice of a change of addressee or address will be effective until actually received.

Notices and communications to the Village must be addressed to, and delivered at, the following addresses:

Village of La Grange
53 South La Grange Road
La Grange, Illinois 60525
Attention: Village Manager
Facsimile: (708) 579-2313

with a copy to:
Holland & Knight LLP
131 South Dearborn Street, 30th Floor
Chicago, Illinois 60603
Attention: Mark E. Burkland
Facsimile: (312) 578-6666

Notices and communications to the Park District must be addressed to, and delivered at, the following address:

La Grange Park District
536 East Avenue
La Grange, Illinois 60525
Attention: Executive Director
Facsimile: (708) 352-8591

with a copy to:
Freeborn & Peters LLP
311 South Wacker Drive, Suite 3000
Chicago, Illinois 60606
Attention: Richard J. Traub
Facsimile: (312) 360-6572

B. Time of the Essence. Time is of the essence in the performance of all terms and provisions of this Agreement.

C. Governing Law. This Agreement is governed by and enforced in accordance with the internal laws of, but not the conflicts of laws rules of, the State of Illinois.

D. Entire Agreement. This Agreement constitutes the entire agreement between the parties with respect to the acquisition by the Village of the PD Transfer Property, the acquisition by the Park District of the Village Transfer Property, and the other matters stated in this Agreement, and this Agreement supersedes every prior agreement and negotiation between the parties, whether written or oral, relating to the subject matter of this Agreement.

E. Incorporation of Exhibits. Exhibits A, B, C, and D attached to this Agreement are incorporated into and made a part of this Agreement by this reference.

F. Amendments and Modifications. No amendment or modification to this Agreement will be effective unless and until it is reduced to writing and approved and executed by all parties to this Agreement in accordance with all applicable statutory procedures.

G. Calendar Days and Time. Any reference herein to a "day" or to "days" means a calendar day or days and not a business day or days.

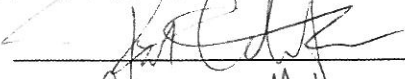
H. No Third Party Beneficiaries. No claim as a third party beneficiary under this Agreement by any person, firm, or corporation may be made, or be valid, against any of the parties.

Section 13. Patriot Act

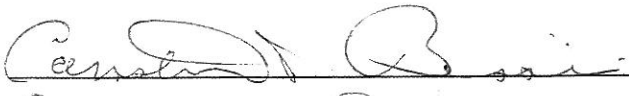
The Village and the Park District each represent and warrant that it is not acting, directly or indirectly, for or on behalf of any person, group, entity, or nation named by the United States Treasury Department as a Specially Designated National and Blocked Person, or for or on behalf of any person, group, entity, or nation designated in Presidential Executive Order 13224 as a person who commits, threatens to commit, or supports terrorism; and that it is not engaged in this transaction directly or indirectly on behalf of, or facilitating this transaction directly or indirectly on behalf of, any such person, group, entity, or nation.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of the Execution Date.

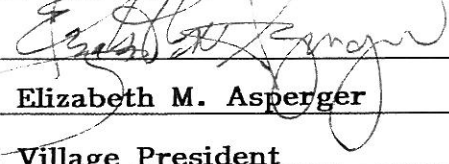
PARK DISTRICT OF LA GRANGE

Signature: 
Printed Name: Robert L. Metcalf
Title: President

Attest:

Signature: 
Printed Name: Constantine Basso
Title: Secretary to the Board

VILLAGE OF LA GRANGE

Signature: 
Printed Name: Elizabeth M. Asperger
Title: Village President

Attest:

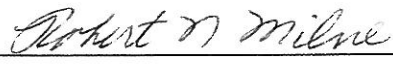
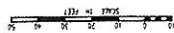
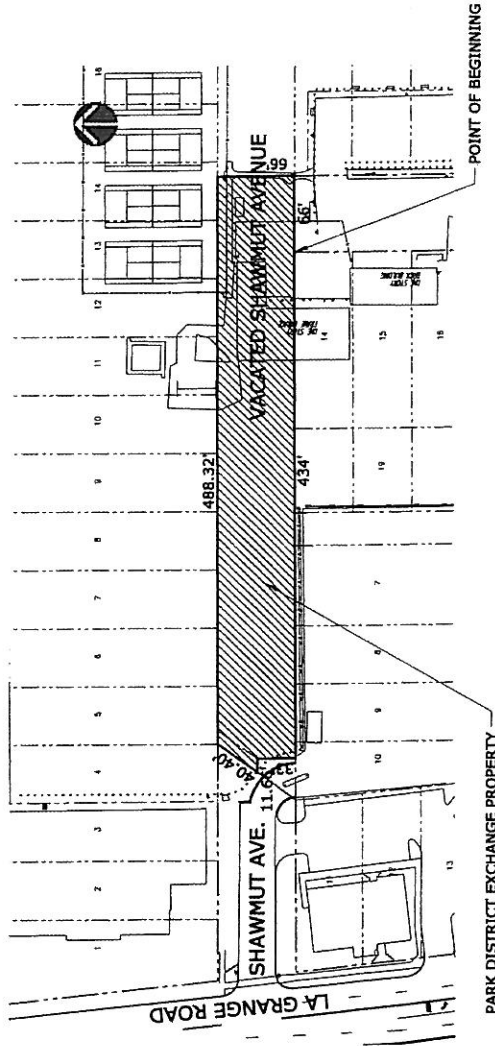
Signature: 
Printed Name: Robert N. Milne
Title: Village Clerk

EXHIBIT A

Depiction and Legal Description of PD Transfer Property



LEGAL DESCRIPTION - SHAWMUT AVENUE EXCHANGE PARCEL.

THAT PART OF VACATED SHAWMUT AVENUE (VACATED BY DOCUMENT NO. 177665E3), IN THE SHAWMUT AVENUE ADDITION TO LA GRANGE, BEING A SUBDIVISION OF PART OF THE NORTH HALF OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 17, 1885 AS DOCUMENT 2203386, AND DESCRIBED AS FOLLOWS:

BEGINNING AT THE NORTHEAST CORNER OF LOT 14 IN BLOCK 3, OF THE AFORESAID SHAWMUT AVENUE ADDITION TO LA GRANGE; THENCE SOUTH 89°58'28" WEST, A DISTANCE OF 434.00 FEET, ALONG THE NORTH LINE OF AFORESAID BLOCK 3; THENCE NORTH 0°34'06" WEST, A DISTANCE OF 33.00 FEET TO THE CENTERLINE OF VACATED SHAWMUT AVENUE; THENCE WEST, A DISTANCE OF 11.66 FEET TO THE WESTERLY TERMINUS OF VACATED SHAWMUT AVENUE; THENCE NORTH 35°13'14" EAST, A DISTANCE OF 40.40 FEET, ALONG SAID WESTERLY TERMINUS OF VACATED SHAWMUT AVENUE, TO THE SOUTHEAST CORNER OF LOT 4 IN BLOCK 2 OF AFORESAID SHAWMUT ADDITION TO LA GRANGE; THENCE NORTH 60°58'00" WEST, A DISTANCE OF 40.40 FEET, ALONG SAID SOUTHEAST CORNER OF LOT 4 IN BLOCK 2 OF AFORESAID SHAWMUT ADDITION TO LA GRANGE; THENCE NORTH 0°34'06" WEST, A DISTANCE OF 33.00 FEET, ALONG SAID CENTERLINE OF VACATED SHAWMUT AVENUE EXTENDED; THENCE SOUTH 01°04'06" EAST, A DISTANCE OF 66.00 FEET, ALONG SAID EAST LINE OF LOCUST AVENUE EXTENDED TO THE NORTHWEST CORNER OF LOT 19 IN BLOCK 4 OF THE AFORESAID SHAWMUT AVENUE ADDITION TO LA GRANGE; THENCE WEST, A DISTANCE OF 40.40 FEET, ALONG SAID WESTERLY TERMINUS OF VACATED SHAWMUT AVENUE, TO THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

AREA OF PROPERTY = 33,086 SQUARE FEET OR 0.7596 ACRES

HEUER AND ASSOCIATES
 Consulting Engineers
 2318 Briarcliff Drive • Suite 101 • Woodhull, IL 61168-1411 708-445-1000

PROPOSED PROPERTY EXCHANGE
 VILLAGE OF LA GRANGE/PARK DISTRICT OF LA GRANGE

EXHIBIT A: PD EXCHANGE PROPERTY

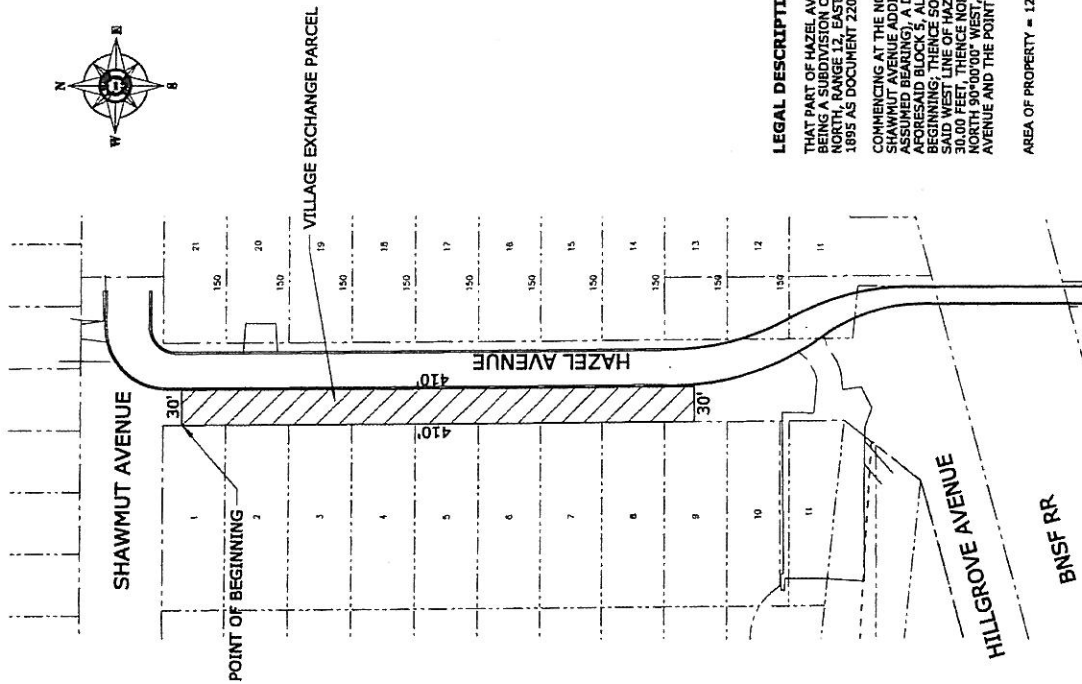
FILE SIZE	SCALE	DATE	SHEET 1 OF 1
PROJECT NO.	DATE	DATE	
PROJECT NO.	DATE	DATE	
PROJECT NO.	DATE	DATE	

EXHIBIT B

Depiction and Legal Description of Village Transfer Property

EXHIBIT C

**Depiction of Additional Village Parcel
at East Side of Gordon Park along West Side of Hazel Avenue**



LEGAL DESCRIPTION - HAZEL AVENUE EXCHANGE PARCEL
 THAT PART OF HAZEL AVENUE, IN THE SHAWMUT AVENUE ADDITION TO LA GRANGE, BEING A SUBDIVISION OF PART OF THE NORTH HALF OF SECTION 4, TOWNSHIP 38 NORTH, RANGE 12, EAST OF THE THIRD PRINCIPAL MERIDIAN, RECORDED APRIL 17, 1895 AS DOCUMENT 2203386, AND DESCRIBED AS FOLLOWS:
 COMMENCING AT THE NORTHEAST CORNER OF LOT 1 IN BLOCK 5, OF THE AFORESAID SHAWMUT AVENUE ADDITION TO LA GRANGE; THENCE SOUTH 00°00'00" WEST (AN ASSUMED BEARING), A DISTANCE OF 15.00 FEET, ALONG THE EAST LINE OF THE AFORESAID BLOCK 5, ALSO BEING THE WEST LINE OF HAZEL AVENUE, TO A POINT OF BEGINNING; THENCE SOUTH 00°00'00" WEST, A DISTANCE OF 410.00 FEET, ALONG SAID WEST LINE OF HAZEL AVENUE; THENCE SOUTH 50°00'00" EAST, A DISTANCE OF 30.00 FEET, TO THE POINT OF BEGINNING OF THE 110.00 FEET WIDE HAZEL AVENUE AND THE POINT OF BEGINNING, ALL IN COOK COUNTY, ILLINOIS.

AREA OF PROPERTY = 12,300 SQUARE FEET OR 0.2824 ACRES

HEUER AND ASSOCIATES
 Consulting Engineers
 2312 Enterprise Dr. • Suite 102 • Wheeling, IL 60150-8111 708-442-1000

PROPOSED PROPERTY EXCHANGE
 VILLAGE OF LA GRANGE/PARK DISTRICT OF LA GRANGE

EXHIBIT C: VILLAGE EXCHANGE PARCEL

TOTAL SHEET SCALE: NTS
 BAROUD SCALE: 1" = 100'
 DRAWN BY: NHA
 PROJECT NO: 2008-027
 DATE: 02/22/2008

REVISED

SHEET 1
 OF 1

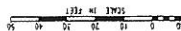
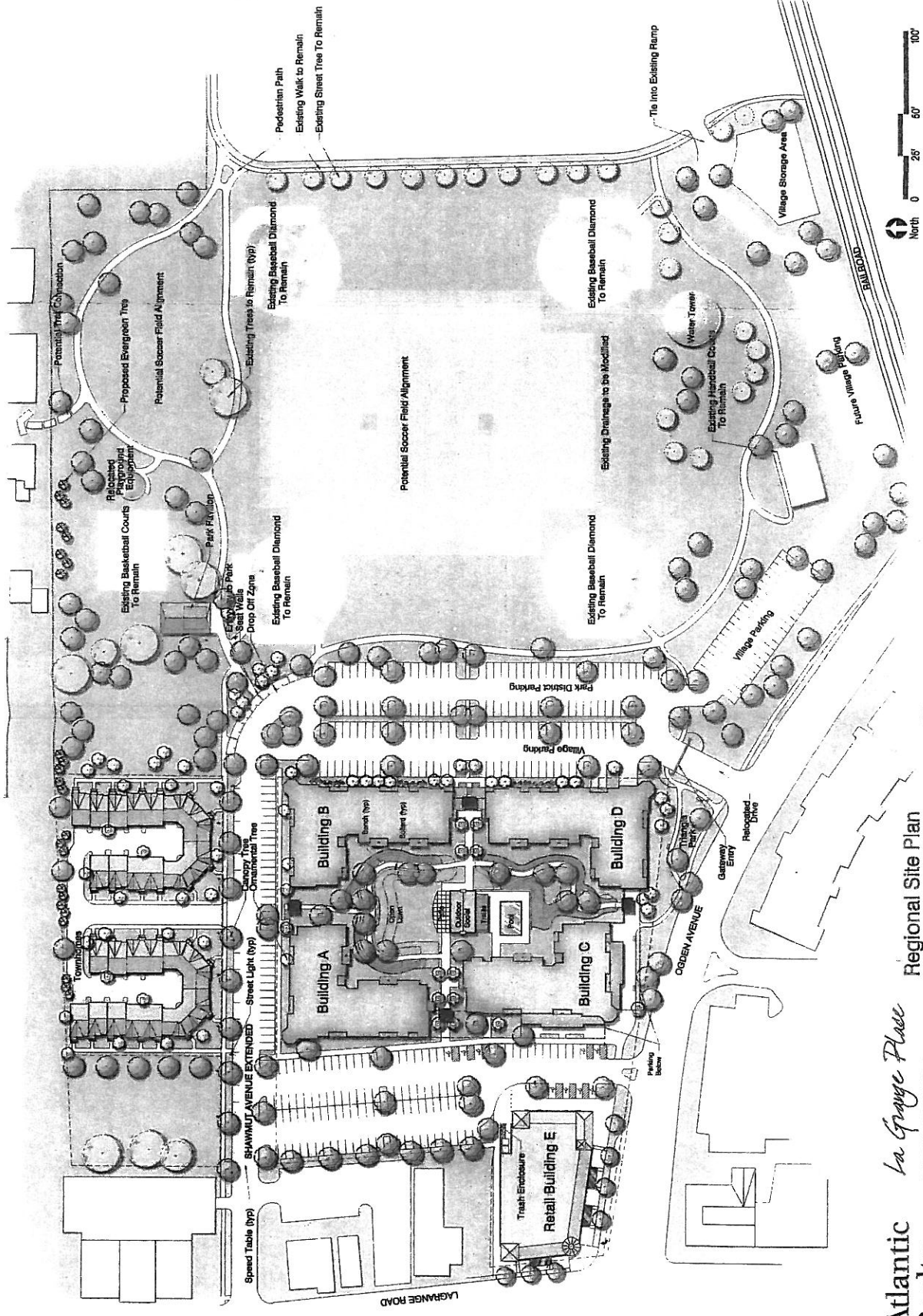


EXHIBIT D

**Depiction of Current Design of Connection
of Locust Avenue with Ogden Avenue**

5087111_v12



North 0 25 50 100
 HMM
 Architects & Planners, Inc.
 40 South Van Meter
 Arlington Heights, Illinois 60005
 Job No. 06078 0207
 January 18, 2006

La Grange Place
 Regional Site Plan

Atlantic Realty Partners
 LaGrange Illinois

VILLAGE OF LA GRANGE
Administrative Offices**BOARD REPORT**

TO: Village President, Village Clerk, and Board of Trustees

FROM: Robert J. Pilipiszyn, Village Manager
Mark Burkland, Village Attorney

DATE: January 25, 2010

RE: **EXTENSION OF TIME LIMIT ON PROPERTY TRANSFERS
WITH PARK DISTRICT BEFORE AUTOMATIC REVERTER**

In late 2008, the Village and the Park District each transferred a parcel of land to the other under an intergovernmental agreement between them dated November 10, 2008, and titled "An Agreement for Transfers of Property by the Park District of La Grange to the Village of La Grange and by the Village of La Grange to the Park District of La Grange" (the "*Transfer Agreement*"). The property transfers are an integral part of (a) the redevelopment of the property at the northeast quadrant of the intersection of La Grange Road and Ogden Avenue (the "*Northeast Quadrant*") and (b) the Park District's plans to renovate Gordon Park.

The Village transferred to the Park District a parcel of land adjacent to Gordon Park (technically known as the "east half of Lot 14"), which the Park District intends to incorporate into the park. The Park District transferred to the Village a parcel of land commonly known as a part of vacated Shawmut Avenue, which the Village intends to use as public right of way for the redevelopment of the YMCA property and which was incorporated into the approved plans for redevelopment.

At the Park District's request, the Transfer Agreement includes a reverter provision, which provides that the transfers would be undone automatically on December 31, 2009, if the developer (Atlantic Realty Partners) had not (1) posted performance security with the Village in a form satisfactory to the Village and (2) commenced earthmoving activity for the project by December 31, 2009. For a number of reasons, neither of those two conditions were met. The Transfer Agreement, however, authorizes the Village and the Park District to agree to an extension of the time limit.

In December 2009, the Village Manager received a letter from the Park District's Executive Director requesting a one-year extension of the time limit. Because the reverter was set to occur on December 31 before the next scheduled meeting of the Village Board, the Village Manager agreed to a one-month extension of the time limit, to January 31, 2010, after advising the Village Board that it was necessary and appropriate to do so. A copy of the letter sent to the Park District agreeing to the one-month extension is attached.

Board Report – Extension of Time
before reverter of property transfers with Park District
January 25, 2010 – Page 2

The one-month extension has allowed the Village Board time to consider the Park District's request for a one-year extension. The Village Board's meeting on January 25 is the first meeting since the Park District's letter was received.

Enclosed with this report is a draft letter from the Village President to the Park District that would memorialize approval of a one-year extension of time.

It is recommended that the Village Board approve a motion (a) approving a one-year extension of the time limit set on the property transfers between the Village and the Park District under Subsection 10I of the Transfer Agreement, and (b) authorizing the Village President to send a letter to the Park District memorializing that approval.

F:\USERS\ecelder\ellie\BrdRpt\parkdistrictextensionoftimeonpropertytransfers.brd.DOC

Village of La Grange

December 29, 2009

Dean Bissias, Executive Director
Park District of La Grange
536 East Avenue
La Grange, IL 60525



Re: Extension of Time Limit on Property Transfers

Dear Dean:

The Village of La Grange has received your letter requesting an extension of the time limitation imposed on the transfers of property between the Park District and the Village related to the redevelopment of the former YMCA property and of Gordon Park. I am writing to approve an interim extension of time from December 31, 2009, through the end of the day January 31, 2010, pending consideration by the Village's Board of Trustees of the one-year extension you have requested.

By way of background, the Park District and the Village each transferred property to the other under an intergovernmental agreement between them dated November 10, 2008, and titled "An Agreement for Transfers of Property by the Park District of La Grange to the Village of La Grange and by the Village of La Grange to the Park District of La Grange" (the "*Transfer Agreement*"). The Village transferred a parcel of land adjacent to Gordon Park, which the Park District intends to incorporate into the park. The Park District transferred a parcel of land commonly referred to as a part of vacated Shawmut Avenue, which the Village intends to use as public right of way for the redevelopment of the YMCA property.

The Transfer Agreement includes a reverter provision, which provides that the transfers will be undone automatically on December 31, 2009, if the developer for the redevelopment project has not (1) posted performance security with the Village in a form satisfactory to the Village and (2) commenced earthmoving activity for the project by December 31, 2009. For a number of reasons, neither of those two conditions have been met and the reverter is set to occur unless the Park District and the Village agree to extend the time limit on the transfers.

You noted in your letter to me that the property transfers are an instrumental part of the redevelopment project and that the undoing of the property transfers would create an impediment to the redevelopment goals and objectives shared by the Park District and the Village.

The reverter provision, which is Subsection 10I of the Transfer Agreement, provides that the Park District and the Village may agree to an extension of the time limitation.

As provided in Subsection 10I of the Transfer Agreement, the Village agrees to an extension of the time limitation on the transfers of property until the end of the day January 31, 2010. During January, the Village's Board of Trustees will consider and make a decision on the Park District's request for an extension until December 31, 2010. I will advise you promptly when that decision is made.

Sincerely,
VILLAGE OF LA GRANGE



Robert J. Pilipiszyn
Village Manager

c: Village President Asperger and Board of Trustees

Village of La Grange

January 26, 2010

Timothy Kelpsas, President
Dean Bissias, Executive Director
Park District of La Grange
536 East Avenue
La Grange, Illinois 60525



Re: One-Year Extension of Time Limit on Property Transfers

Dear Messrs. Kelpsas and Bissias:

The Board of Trustees of the Village of La Grange, at its regular meeting on January 25, 2010, approved a one-year extension of the time limit set on the property transfers between the Village and the Park District of La Grange and authorized me to send you this letter for your approval and signature to memorialize that extension.

As you know, the Village and the Park District each transferred property to the other under an intergovernmental agreement between them dated November 10, 2008, and titled "An Agreement for Transfers of Property by the Park District of La Grange to the Village of La Grange and by the Village of La Grange to the Park District of La Grange" (the "*Transfer Agreement*"). The transfers are related to the potential development of the property at the northeast corner of the intersection of La Grange Road and Ogden Avenue, which is comprised primarily of the parcel owned by the YMCA and includes property owned by the Park District (collectively the "*Redevelopment Property*").

The Village transferred to the Park District a parcel of land adjacent to Gordon Park, which the Park District intends to incorporate into the park. The Park District transferred to the Village a parcel of land commonly referred to as a part of vacated Shawmut Avenue, which the Village intends to use as public right of way for the redevelopment of the Redevelopment Property.

The Transfer Agreement includes a reverter provision, which provides that the transfers will be undone automatically on December 31, 2009, (the "*Time Limit*") if the developer for the redevelopment project has not (1) posted performance security with the Village in a form satisfactory to the Village and (2) commenced earthmoving activity for the project by December 31, 2009. For a number of reasons, neither of those two conditions were met.

You sent a letter to Robert Pilipiszyn, the La Grange Village Manager, in December 2009 stating that the Park District, through its Board of Commissioners, seeks a one-year extension of the Time Limit, so that the reverter will not be triggered until December 31, 2010.

Mr. Pilipiszyn replied to you by letter dated December 29, 2009, extending the Time Limit to January 31, 2010, to allow the Board of Trustees in January to consider and act on your one-year request.

53 South La Grange Road P.O. Box 668 La Grange, Illinois 60525 (708) 579-2313 Fax (708) 579-0980

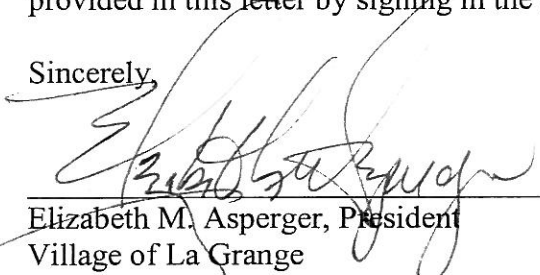
Timothy Kelpsas, President
Dean Bissias, Executive Director
January 26, 2010
Page 2 of 2

The reverter provision, which is Subsection 10I of the Transfer Agreement, provides that the Park District and the Village may agree to an extension of the time limitation.

The Village agrees to an extension of the time limitation on the transfers of property until the end of the day December 31, 2010.


Please indicate your approval of the extension of the Time Limit to December 31, 2010, as provided in this letter by signing in the space provided below.

Sincerely,



Elizabeth M. Asperger, President
Village of La Grange

AGREED:



Timothy Kelpsas, President
Park District of La Grange Board of Commissioners

Dated: 29 JANUARY, 2010.