

INTERGOVERNMENTAL AGREEMENT

This INTERGOVERNMENTAL AGREEMENT entered into this ___ day of June, 2016, by and between THE OGLE COUNTY METROPOLITAN EXPOSITION, AUDITORIUM, AND OFFICE BUILDING AUTHORITY, a unit of local government created and existing under the laws of the State of Illinois, commonly referred to as the "Ogle County Civic Center Authority" ("OCCCA"), and the CITY OF ROCHELLE, an Illinois municipal corporation ("City"):

WITNESSETH:

THAT WHEREAS, the City and OCCCA are "units of local government" as defined by Article VII, Section 1, of the Constitution of the State of Illinois of 1970; and

WHEREAS, units of local government are enabled by Article VII, Section 10 of the Constitution of the State of Illinois of 1970 to enter into agreements among themselves to obtain or share services and to exercise, combine or transfer any power or function in any manner not prohibited by law or ordinance; and

WHEREAS, the Illinois Intergovernmental Cooperation Act, (5 ILCS 220/1 et seq.), authorizes municipalities to exercise jointly with any public agency of the State, including other units of local government, any power, privilege, or authority which may be exercised by a unit of local government individually, and to enter into contracts for the performance of governmental services, activities and undertakings; and

WHEREAS, 65 ILCS 5/8-1-2.5 provides that "the corporate authorities may appropriate and expend funds for economic development purposes, including, without limitation, the making of grants to any other governmental entity or commercial enterprise that are deemed necessary or desirable for the promotion of economic development within the municipality"; and

WHEREAS, the City Council believes it is in the best interests of the City to make a grant for economic development purposes to OCCCA, under the terms and conditions contained herein;

NOW, THEREFORE, in consideration of the mutual promises hereinafter contained, the adequacy and sufficiency of which is hereby acknowledged, the parties agree as follows:

1. Grant. The City of Rochelle will grant to OCCCA the sum of \$30,000.00 cash within thirty (30) days of the execution of this Intergovernmental Agreement.
2. Restrictions on Use. OCCCA shall, upon receipt of the grant funds, provide the same to RG & G BALDWIN, INC., an Illinois corporation d/b/a Hickory Grove

Banquet & Conference Center / Abraham's Grille & Lounge ("Abraham's"), for their use upon the restrictions contained herein.

3. Restrictions Required. Prior to OCCCA's delivery of the grant funds to Abraham's, OCCCA shall take all actions reasonable and necessary to ensure the following restriction applies to the use of the grant funds:
 - a. Abraham's shall, upon receipt of the grant funds, make payment to Rochelle Municipal Utilities of the entire amount of the grant funds to go for and against the delinquency owed by Abraham's to Rochelle Municipal Utilities.
 - b. The monies paid by Abraham's to Rochelle Municipal Utilities shall be applied as follows:
 - i. First: to that portion of Abraham's past due balance owed to Rochelle Municipal Utilities which is not secured or otherwise guaranteed by that certain Promissory Note executed on September 10, 2014, and co-signed by Abraham's and Manish Patel, in the original amount of \$40,298.82.
 - ii. Second: to that portion of Abraham's current balance owed to Rochelle Municipal Utilities.
 - iii. Third: to the balance owed on the Promissory Note previously identified.
4. Reimbursement. If, for any reason, the grant funds are not used for the restricted purposes herein, OCCCA agrees to reimburse the City the entire sum of the grant funds.

THE OGLE COUNTY METROPOLITAN EXPOSITION, AUDITORIUM & OFFICE BUILDING AUTHORITY, a unit of local government,

By: _____
John Schindewolf, President

Attest: _____
Dawn Smith, Secretary

CITY OF ROCHELLE, an Illinois municipal corporation

By: _____
David S. Plyman, City Manager

Attest: _____
Bruce McKinney, City Clerk

