

VILLAGE OF VERNON HILLS

ORDINANCE NO. 2009-056

AN ORDINANCE APPROVING AN ECONOMIC INCENTIVE AGREEMENT FOR  
PROPERTY COMMONLY KNOWN AS HAWTHORN HILLS FASHION SQUARE  
SHOPPING CENTER LOCATED AT THE INTERSECTION OF ROUTE 60 AND  
MILWAUKEE AVENUE.

THE 18TH DAY OF NOVEMBER 2009

Published in pamphlet form by the  
Authority of the President and Board  
Of Trustees of the Village of Vernon  
Hills, Lake County, Illinois, this 19th  
Day of November 2009

ORDINANCE NO. 2009-056

AN ORDINANCE APPROVING AN ECONOMIC  
INCENTIVE AGREEMENT FOR PROPERTY  
COMMONLY KNOWN AS HAWTHORN HILLS  
FASHION SQUARE SHOPPING CENTER  
LOCATED AT THE INTERSECTION OF ROUTE  
60 AND MILWAUKEE AVENUE

WHEREAS, the Village relies on sales tax as its main source of funding the Village's general financial obligations; and,

WHEREAS, the current economic conditions have severely impacted the retail industry and therefore the Village's main source of funding has been substantially reduced; and,

WHEREAS, the Village is concerned about maintaining the economic vitality of the Village's retail community; and,

WHEREAS, Hawthorn Hills Fashion Square Shopping Center ("Shopping Center") is experiencing a greater than fifty (50%) percent vacancy rate due, among other things, to the bankruptcy filing of its two major tenants in the Shopping Center; and,

WHEREAS, the owner of the Shopping Center requested that the Village consider an economic incentive program to assist the owner in increasing tenancies within the Shopping Center; and,

WHEREAS, the Village expressed its willingness to participate in an economic incentive program, pursuant to State Statute (65 ILCS 5/8-11-20), in order to stabilize the economic viability of the Shopping Center and maintain the flow of sales tax dollars to the Village; and,

WHEREAS, without Village participation in the economic incentive program, the Shopping Center would languish and lose more tenants, further exacerbating the present economic concerns of the owner of the Shopping Center as well as the Village; and,

WHEREAS, State Statute 65 ILCS 5/8-11-20 authorizes the Village to enter into economic incentive agreements subject to the Village making certain findings of fact; and,

WHEREAS, the Village has made the required findings of fact as set forth below.

**NOW THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS, AS FOLLOWS:**

**SECTION 1: ECONOMIC INCENTIVE FINDINGS.** Pursuant to 65 ILCS 5/8-11-20, the Village makes the following finding of facts:

1. The Hawthorn Hills Fashion Square Shopping Center is currently developed with a retail shopping center;

2. The Shopping Center has been at least thirty eight (38%) percent vacant for more than one (1) year and has been fifty six (56%) percent vacant since January 1, 2009. As a result the Shopping Center has remained less than significantly occupied and underutilized for a period of at least one year;
3. The economic incentive program is expected to create and retain job opportunities within the municipality, by providing a quality retailer in the Shopping Center: Dick's Sporting Goods. Dick's Sporting Goods will create job opportunities lost to the Village when the prior tenant filed for bankruptcy. Further, a vibrant shopping center with Dick's Sporting Goods as one of its anchor tenants will substantially strengthen the remaining tenants' ability to economically survive in the Shopping Center, thereby retaining all of their jobs;
4. The economic incentive agreement will provide a solid anchor tenant in the Shopping Center thereby serving to further the development of the Shopping Center and adjacent retail shopping areas;
5. Without this economic incentive agreement, the owner has represented that it would not be able to attract Dick's Sporting Goods as a tenant in the Shopping Center. Without Dick's Sporting Goods as an anchor tenant, maintaining the Shopping Center as a viable retail shopping center in the Village would not be possible;
6. Hawthorn –Vernon Hills LLC, the owner of the Hawthorn Hills Fashion Square Shopping Center, meets high standards of creditworthiness and financial strength as demonstrated by specific evidence of equity financing for more than 10% of the total project costs;
7. Obtaining Dick's Sporting Goods as an anchor tenant in the Shopping Center will strengthen the commercial sector of the Village, given the fact that the Shopping Center is at the intersection of Route 21 and 60, the center of the retail shopping area in the Village.
8. Filling the main anchor store in the Shopping Center with a high quality national tenant will enhance the tax base of the Village and will help to restore the financial base of the Village.
9. Entering into the economic incentive agreement is in the best interest of the Village as it is the only way to restore the economic viability of the Shopping Center, one of the most important shopping centers in the Village.

**SECTION II. AUTHORIZATION TO EXECUTE AGREEMENT.** At such time as the Village receives a copy of the fully executed Dick's lease, the Village hereby authorizes the Village President and Village Clerk to execute the Economic Incentive Agreement (attached hereto as Exhibit "A") for portions of the Hawthorn Hills Fashion Square Shopping Center in a form substantially similar to the copy attached, as more clearly depicted on the Site Plan of the Shopping Center (attached hereto as Exhibit "B").

**SECTION III. SEVERABILITY.** In the event that any section, clause, provision or part of this Ordinance shall be found and finally determined to be invalid by a Court of competent jurisdiction, all valid parts that are severable from the invalid parts shall remain in full force and effect. If any part of this Ordinance is found to be invalid in any one or more of its applications, all valid applications that are severable from the invalid applications shall remain in effect.

**SECTION IV. REPEAL AND SAVINGS CLAUSE.** All ordinances or parts of ordinances in conflict herewith are hereby repealed; provided, however, that nothing herein contained shall affect any rights, actions or causes of action which shall have accrued to the Village of Vernon Hills prior to the effective date of this ordinance.

**SECTION V. EFFECTIVE DATE.** This ordinance shall be in full force and effect from and after its passage, approval and publication in pamphlet form as provided by law.

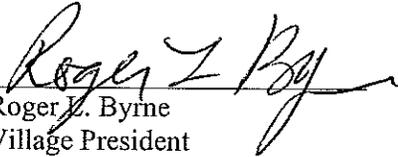
**SECTION VI. ORDINANCE NUMBER.** This ordinance shall be known as Ordinance Number 2009-056.

Adopted by roll call vote as follows:

AYES: 7-Marquardt, Schultz, Schwartz, Williams, Hebda, Koch, Byrne

NAYS: 0-None

ABSENT AND NOT VOTING: 0-None

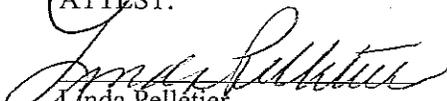
  
Roger L. Byrne  
Village President

PASSED: 11/18/2009

APPROVED: 11/18/2009

PUBLISHED IN PAMPHLET FORM: 11/19/2009

ATTEST:

  
Linda Pelletier  
Village Clerk



**EXHIBIT A**  
**ECONOMIC INCENTIVE AGREEMENT**

EXHIBIT B

ELIGIBLE PROPERTY AND STORE SPACES AS SHOWN ON PLAN SP-1



AFFIDAVIT OF SERVICE

STATE OF ILLINOIS    )  
  )  
COUNTY OF LAKE    )

I, LINDA PELLETIER, BEING FIRST DULY APPOINTED, DEPOSES AND SAYS ON OATH THAT AS VILLAGE CLERK OF THE VILLAGE OF VERNON HILLS, SHE DID CAUSE THE FOREGOING CERTIFICATE FOR ORDINANCE 2009-056, AN ORDINANCE APPROVING AN ECONOMIC INCENTIVE AGREEMENT FOR PROPERTY COMMONLY KNOWN AS HAWTHORN HILLS FASHION SQUARE SHOPPING CENTER LOCATED AT THE INTERSECTION OF ROUTE 60 AND MILWAUKEE AVENUE.

  
\_\_\_\_\_  
LINDA PELLETIER, VILLAGE CLERK

SUBSCRIBED AND SWORN to Before  
Me this   2   day of December, 2009

  
\_\_\_\_\_  
Notary Public

