

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

BOARD OF EDUCATION OF ORLAND
SCHOOL DISTRICT NO. 135, Cook County,
an Illinois public school district, and BOARD
OF EDUCATION OF CONSOLIDATED
HIGH SCHOOL DISTRICT NO. 230, Cook
County, an Illinois public school district,

Plaintiffs,

vs.

VILLAGE OF ORLAND PARK, Cook
County, an Illinois municipality,

Defendant.

Case No.

COMPLAINT

Plaintiffs the Board of Education of Orland School District No. 135, Cook County, Illinois (“School District 135”), and the Board of Education of Consolidated High School District No. 230, Cook County, Illinois (“School District 230”) (together, the “School Districts”), for their Complaint against the Defendant, Village of Orland Park (the “Village”), allege as follows:

BACKGROUND

1. This Complaint is seeking enforcement of a written contract between the Parties.
2. The Boards of Education of Orland School District No. 135 and Consolidated High School District No. 230 are the governing bodies of School District 135 and School District 230, respectively. School District 135 and School District 230 are Illinois public school districts responsible for overseeing the operation of their School Districts, including their staff and administration, with their primary places of business in Cook County, State of Illinois.
3. The Village is a body politic and corporate located in Cook County, Illinois.

4. Venue in this Court is proper pursuant to 735 ILCS 5/2-101.
5. This Court has jurisdiction over the subject matter and the Parties.

RELEVANT FACTS

6. The School Districts and the Village are parties to a binding agreement (the “Agreement”), executed on December 10, 2007. *See* Exhibit A, “Intergovernmental Agreement Concerning an Amendment to the Main Street Triangle TIF District.”

7. The Agreement concerns amendments by the Village to the Main Street Triangle Tax Increment Financing District (the “MST TIF District”), including the addition of territory containing approximately 10.5 acres located at the northwest corner of LaGrange Road and 143rd Street within the boundaries of the Village and the School Districts. The School Districts’ boundaries include all of the MST TIF District. The School Districts and the Village have the power to levy taxes against real property within their boundaries, subject to the limitations of the TIF Act.

8. The MST TIF District was established pursuant to the Tax Increment Allocation Redevelopment Act (65 ILCS 5/11-74.4-1 *et seq.*; the “TIF Act”). The TIF Act allows a municipality, under certain circumstances, to divert, for a period of up to 23 years, incremental property tax revenues which would otherwise be received by taxing districts and to use said revenues, among other things, to induce private parties to develop blighted areas or areas threatened to become blighted, known as conservation areas.

9. In order to create a TIF district, the property in question must meet certain statutory eligibility criteria stated in the TIF Act, and the municipality must follow certain procedures, including: (a) convening a joint review board, consisting of representatives of various taxing bodies which would be affected by the reallocation of taxes and a public member, to consider

whether the redevelopment proposal satisfies the eligibility requirements set forth in the TIF Act; (b) holding a public hearing in which it must hear and determine objections to the redevelopment project; and (c) adopting ordinances approving a redevelopment project and plan.

10. The TIF Act allows municipalities to enter into agreements with local taxing districts, such as the Agreement entered into between the Village and the School Districts.

11. The Agreement at issue addresses the School Districts' concerns about the effect of the Village's amendments to the MST TIF District and reflects the desire of the Parties that such development within the MST TIF District does not cause unnecessary financial detriment or have a substantial negative impact on the real estate tax base of any taxing district. The Agreement provides for, in part, a) the mutual cooperation of the Parties, b) the payment of incremental revenues as surplus funds in the amount of no less than One Hundred Sixty-Three Thousand Six Hundred Seventy-Seven Dollars (\$163,677.00) each year for Years 19 through 23 of the life of the MST TIF District, c) the non-portability of incremental revenues received from the MST TIF District, and d) the payment of certain educational costs of the School Districts in an amount equal to the per pupil cost of each of the School Districts.

12. The MST TIF District was established by the Village by ordinances adopted in 2004. Years 19 through 23 of the MST TIF District are calendar years 2023, 2024, 2025, 2026, and 2027.

13. The School Districts made a written request to the Village for the payment due to the School Districts in Year 19 of the MST TIF District along with the payment of certain educational costs, pursuant to the terms of the Agreement. The Village has refused to pay the School Districts these amounts.

COUNT I – BREACH OF CONTRACT

14. The Parties have a binding, valid, and enforceable contract. *See* Exhibit A.

15. The Parties negotiated in good faith with respect to the terms of the Agreement and the School Districts have relied in good faith on the mutual cooperation of the Village, the payment of the minimum surplus funds by the Village, the non-portability of the revenue between the MST TIF District and any future contiguous TIF District, and the payment to the School Districts of educational costs per pupil from students generated from the MST TIF District. Each of the School Districts' Boards of Education approved the Agreement in a manner that complied with the requirements of the Open Meetings Act [5 ILCS 120/1 *et seq.*].

16. The School Districts have performed all of their obligations under the Agreement and are ready, willing, and able to perform any future obligations under the Agreement.

17. The Village materially breached the Agreement by failing to make certain payments to the School Districts for Year 19 of the MST TIF District and for failing to pay the School Districts for certain educational costs.

18. The School Districts provided notice of the Village's breach, and the Village failed to cure the breach by failing to comply with the terms of the Agreement.

19. The School Districts will suffer irreparable injury in the form of lost revenues properly owed to them under the terms of the Agreement.

WHEREFORE, the School Districts pray that this Court enter judgment in their favor and against the Village as follows:

- A. An award of compensatory damages in the amount of certain payments to the School Districts for Year 19 (and subsequent years) of the MST TIF District and certain educational costs.

B. All other relief the Court deems proper and just.

Respectfully submitted,

BOARD OF EDUCATION OF ORLAND
SCHOOL DISTRICT NO. 135, and BOARD OF
EDUCATION OF CONSOLIDATED HIGH
SCHOOL DISTRICT NO. 230

By: _____
One of their Attorneys

PREPARED BY:

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Dated: February __, 2024

EXHIBIT A

[attach IGA Concerning an Amendment to the Main Street Triangle TIF District]

DRAFT