

INTERGOVERNMENTAL AGREEMENT AMONG THE VILLAGE OF ORLAND PARK, CONSOLIDATED HIGH SCHOOL DISTRICT 230, ORLAND SCHOOL DISTRICT 135, ORLAND FIRE PROTECTION DISTRICT, BOARD OF LIBRARY TRUSTEES OF THE VILLAGE OF ORLAND PARK AND VON MAUR, INC., RELATIVE TO THE DEVELOPMENT OF THE CARSON PIRIE SCOTT & CO. PROPERTY

THIS INTERGOVERNMENTAL AGREEMENT (“Agreement”) is entered into this ____ day of October, 2018 (“Effective Date”), by and among the VILLAGE OF ORLAND PARK, an Illinois home rule municipal corporation (“VILLAGE”), CONSOLIDATED HIGH SCHOOL DISTRICT 230, an Illinois school district (“HIGH SCHOOL DISTRICT”), ORLAND SCHOOL DISTRICT 135, an Illinois school district (“ELEMENTARY SCHOOL DISTRICT”), ORLAND FIRE PROTECTION DISTRICT, an Illinois fire protection district (“FIRE PROTECTION DISTRICT”), BOARD OF LIBRARY TRUSTEES OF THE VILLAGE OF ORLAND PARK, an Illinois local library (“LIBRARY”), and VON MAUR, INC., an Illinois corporation (“VON MAUR”). The VILLAGE, HIGH SCHOOL DISTRICT, ELEMENTARY SCHOOL DISTRICT, FIRE PROTECTION DISTRICT, LIBRARY and VON MAUR are sometimes individually referred to herein as a “Party” and collectively referred to as the “Parties”.

WITNESSETH

WHEREAS, VON MAUR is under contract to acquire the vacant property formerly occupied by Carson Pirie Scott & Co., commonly known as 4 Orland Square Drive, Orland Park, Illinois, said property being legally described on EXHIBIT A-1, attached hereto and made part hereof, and depicted on EXHIBIT A-2, attached hereto and made part hereof (“Subject Property”); and

WHEREAS, VON MAUR desires to remodel and develop the Subject Property into a retail department store consisting of approximately ONE HUNDRED SIXTY THOUSAND (160,000) square feet on a tract of approximately THIRTEEN (13) acres, as depicted and further described in EXHIBIT B-1 and EXHIBIT B-2, respectively, attached hereto and made a part hereof (“Project”); and

WHEREAS, VON MAUR desires to own, develop and operate the Project on the Subject Property; and

WHEREAS, in order to induce VON MAUR to proceed with the Project, the VILLAGE agrees to (a) waive all VILLAGE building permit and inspection fees; (b) provide VON MAUR with a partial real estate tax abatement in regard to certain of the real estate taxes assessed and levied by the VILLAGE against the Subject Property (“Tax Abatement”) pursuant to the VILLAGE’s home rule authority; and (c) the VILLAGE will provide certain Retailers’ Occupation Tax rebates (“Sales Tax Rebates”) to VON MAUR pursuant to the Village’s home rule authority and Sections 8-1-2.5 and 8-11-20 of the Illinois Municipal Code (65 ILCS 5/8-1-2.5 and 5/8-11-20); and

WHEREAS, in order to further induce VON MAUR to proceed with the Project, the HIGH SCHOOL DISTRICT, ELEMENTARY SCHOOL DISTRICT, FIRE PROTECTION DISTRICT and LIBRARY (collectively the “NON-VILLAGE UNITS OF GOVERNMENT”) agree to provide VON MAUR with a Tax Abatement pursuant to 35 ILCS 200/18-165 (“Abatement Law”); and

WHEREAS, the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT have agreed to provide the Tax Abatement to VON MAUR, pursuant to the terms and conditions as set forth in this Agreement, provided VON MAUR agrees to refrain from taking any actions,

either directly or indirectly, to lower the equalized assessed valuation (“EAV”) of the Subject Property, including the Project located thereon, below the Threshold EAV as hereinafter provided and defined for a term commencing with the Effective Date and ending on the first to occur of a) the tenth (10th) anniversary of the Effective Date, or b) the date on which VON MAUR has received a total cumulative benefit from the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT of EIGHT MILLION, FIVE HUNDRED THOUSAND DOLLARS AND NO/100 DOLLARS (\$8,500,000.00) from Tax Abatements, Sales Tax Rebates and waivers of building and inspection fees; and

WHEREAS, VON MAUR is in agreement with the restriction set forth above, relative to refraining from taking any actions, either directly or indirectly, to lower the equalized assessed valuation of the Subject Property below the Threshold EAV; and

WHEREAS, by providing the Tax Abatement, in exchange for VON MAUR agreeing to refrain from taking any actions, either directly or indirectly, to lower the equalized assessed valuation of the Subject Property below the Threshold EAV, the VILLAGE and the NON-VILLAGE UNITS OF GOVERNMENT will induce VON MAUR to cause the Project to be constructed and operated, which the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT anticipate will provide future financial benefits for the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT; and

WHEREAS, the parties hereto acknowledge, and VON MAUR represents and warrants, that it requires economic assistance from the VILLAGE and the NON-VILLAGE UNITS OF GOVERNMENT in order to commence and complete the Project, and that, but for said economic assistance, the Project as contemplated would not be economically viable nor would the funds necessary for its commencement and completion be available.

WHEREAS, Article VII, Section 10 of the 1970 Illinois Constitution, 5 ILCS 220/1 *et seq.* and the VILLAGE's home rule powers provide the authority for this Agreement; and

WHEREAS, it is in the best interests of the Parties to enter into this Agreement.

NOW, THEREFORE, in consideration of the foregoing, the mutual covenants and agreements contained herein and other good and valuable consideration, the receipt and sufficiency of which the Parties hereto acknowledge, the Parties hereto agree as follows:

1. **INCORPORATION OF PREAMBLES**. The preambles hereto, as set forth above, are incorporated herein by reference and are made part hereof.
2. **VON MAUR CONDITIONS**. VON MAUR's right to receive the Tax Abatement under this Agreement is expressly conditioned upon the satisfaction by VON MAUR of the following conditions:
 - A. VON MAUR shall: Acquire title to and occupy (as evidenced by issuance of a VILLAGE Occupancy Permit) the Subject Property on or before June 30, 2020, subject only to *force majeure*. As used herein "*force majeure*" shall mean delays beyond the reasonable control of VON MAUR, including, without limitation, acts of God, natural disasters, war, strikes and unavailability of labor or materials.
 - B. Construct and operate continuously (approximately similar to dates and times as other retail businesses within the Orland Square shopping center and the other VON MAUR stores in the Chicagoland area) the Project on the Subject Property substantially in accordance with EXHIBITS B-1 and B-2, in accordance with all applicable laws, ordinances and regulations. However, it shall not be a breach of this condition should VON MAUR close the retail department store for a period of time not to exceed ninety (90) days for remodeling or due to *force majeure*;
 - C. Obtain certificates of occupancy, or final approvals, for the Project from all governmental entities having jurisdiction over the design and construction of the Project, on or before June 30, 2020. The date VON MAUR receives the last of the final certificates of occupancy or final approvals for the Project from all governmental entities having jurisdiction over the design and construction of the Project shall be the "Commencement Date." VON MAUR shall notify each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT of the Commencement Date within fourteen (14) days after the Commencement Date has occurred;
 - D. Comply with the real estate tax obligations set forth in Section 4. below; and

- E. Notwithstanding any provision in this Agreement to the contrary, if VON MAUR fails to meet any of its obligations in the above Sections 2.A., 2.B., 2.C. or 2.D., the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT shall provide written notice of such default (a “Default Notice”) to VON MAUR. If VON MAUR does not cure such default within thirty (30) days of VON MAUR’s receipt of a Default Notice, then the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT may elect, by written notice to VON MAUR delivered following such thirty (30) day period to terminate this Agreement (a “Termination”), whereupon VON MAUR shall reimburse the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT the entire Tax Abatement and will reimburse the VILLAGE the Sales Tax Rebates and the amount of all VILLAGE building permit and inspection fees.

3. REAL ESTATE TAX ABATEMENT AND SALES TAX REBATES.

- A. Subject to VON MAUR being in full compliance with Section 2. above, and Section 4.A. below, the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT pursuant to the home rule authority of the VILLAGE and the Abatement Law shall provide VON MAUR with the Tax Abatement relative to the real estate taxes assessed against the Subject Property, including the Project located thereon, and Sales Tax Rebates, with said Tax Abatement and Sales Tax Rebates being:
1. For a maximum of ten (10) years, beginning with the real estate taxes levied on the Subject Property, including the Project located thereon, for the full calendar year after the calendar year in which the Commencement Date occurs, which real estate taxes are payable in the year thereafter, even if the full amount referenced in Subsection 3.A.2. below has not been abated;
 2. Limited to a total cumulative amount from the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT combined of EIGHT MILLION, FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$8,500,000.00), which amount includes the amount of the Village’s building permit and inspection fee waivers, even if the Tax Abatement and Sales Tax Rebates have not occurred for the full ten (10) year period referenced in 3.A.1. above.
 3. Limited to an annual amount equal to One Hundred Percent (100%) of the real estate taxes to be received by the VILLAGE from the Subject Property, including the Project located thereon, exclusive of real estate taxes received to satisfy any debt service tax levy of general applicability to all taxable property within the VILLAGE in any given year;
 4. Limited to an amount equal to Fifty Percent (50%) of the Illinois Retailer’s Occupation Taxes and Service Occupation Taxes as well as Fifty Percent

(50%) of the Village's Home Rule Municipal Retailer's Occupation Taxes and Home Rule Municipal Service Occupation Taxes received by the VILLAGE annually from the Project;

5. Limited to an annual amount equal to Fifty Percent (50%) of the real estate taxes to be received by the NON-VILLAGE UNITS OF GOVERNMENT from the Subject Property, including the Project located thereon, up to a maximum of FOUR MILLION AND NO/100 DOLLARS (\$4,000,000.00) for the maximum of ten (10) years, exclusive of real estate taxes received to satisfy any debt service tax levy of general applicability to all taxable property within any one or more of the respective NON-VILLAGE UNITS OF GOVERNMENT, in any given year; and
6. Limited by the Abatement Law, and any amendments thereto after the Effective Date.

Within sixty (60) days of the Commencement Date, each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT shall adopt the ordinance, or resolution, attached hereto as EXHIBIT C and made a part hereof ("Abatement Ordinance/Resolution"), and send a certified copy of the Abatement Ordinance/Resolution to the Cook County Clerk ("Clerk"), with such changes to the Abatement Ordinances/Resolutions being made to tailor the Abatement Ordinances/Resolutions to the specific ordinance, or resolution, form requirements of each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT, and after updating the current P.I.N.s and legal description(s) for the Subject Property, including the Project located thereon, if any. The Parties acknowledge that under the Abatement Law, the Clerk administers the Tax Abatement. The Parties acknowledge that as of the Effective Date, the process for administering the Tax Abatement as is described in EXHIBIT D, attached hereto and made a part hereof, and that the process described in EXHIBIT D may change after the Effective Date. If the process for administering the Tax Abatement as described in EXHIBIT D is changed after the Effective Date, the Parties shall update EXHIBIT D to reflect the new process. The Parties shall cooperate with one another, and the Clerk, in administering the Tax Abatement. Upon a reasonable request of the Clerk, or any other Party, the Parties shall timely respond to requests for information and documents related to the Tax Abatement, and the Parties shall take all reasonable steps in a timely manner needed to administer the Tax Abatement consistent with the terms of this Agreement.

- B. During the term of this Agreement, if VON MAUR ceases operating the Project on the Subject Property, or if VON MAUR breaches any of its obligations under Section 4.A., the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT shall provide written notice of such cessation (a "Default Notice") to VON MAUR. If VON MAUR does not recommence operation of the Project within thirty (30) days of VON MAUR's receipt of a Default Notice, or if VON MAUR does not cure the breach of its obligations under Section 4.A. within thirty (30)

days of VON MAUR's receipt of a Default Notice, then the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT may elect, by written notice to VON MAUR delivered following such thirty (30) day period, to terminate this Agreement (hereinafter, a "Termination"), whereupon VON MAUR shall reimburse the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT the entire Tax Abatement, and will reimburse the Village the Sales Tax Rebates, and the total amount of VILLAGE permit and inspection fee waivers, if a Termination occurs within ten (10) years from the Commencement Date.

VON MAUR's reimbursement obligations herein shall survive, and be binding upon VON MAUR, regardless of the termination or expiration of this Agreement, until fifteen (15) years after the Commencement Date. VON MAUR shall reimburse the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT within thirty (30) days of a written demand from the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT for such reimbursement.

4. REAL ESTATE TAX OBLIGATIONS OF VON MAUR.

- A. VON MAUR agrees to pay, or cause to be paid, all general and special real estate taxes levied against its respective interest in the Subject Property, including the Project located thereon, on or prior to the date same is due, and said real estate taxes shall not become delinquent. VON MAUR shall deliver evidence of payment of such real estate taxes to the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT upon request.
- B. In relation to all challenges to, or requests for reduction in, the assessed value, VON MAUR agrees:
 - (1) to not, and shall not, permit or allow any of its affiliates, agents, attorneys, consultants or employees, to challenge, contest, or seek a reduction in, or assert tax-exempt status in relation to, the real estate taxes assessed against the Subject Property below an EAV of SIXTY DOLLARS (\$60.00) per square foot (building and improvements) plus a THREE PERCENT (3.0%) compounded annual increase in said per square foot EAV commencing with the 2021 tax year EAV (the "Threshold EAV"), including the Project located thereon; and
 - (2) to prohibit any third party obligated to pay the real estate taxes, in whole or in part, assessed against the Subject Property below the Threshold EAV, including the Project located thereon, or any portion thereof, or said third party's affiliates, agents, attorneys, consultants or employees, from challenging, contesting, seeking a reduction in or asserting tax-exempt status in relation to the real estate taxes assessed against the Subject Property below the Threshold EAV, including the Project located thereon; and

(3) Notwithstanding other provision of this Agreement, in the event that the real estate tax assessment for the Subject Property as determined by the Cook County Assessor's office exceeds the Threshold EAV for any tax year, then, in that event, VON MAUR shall be allowed to challenge, contest or seek a reduction in the real estate tax assessment of the Subject Property for that year; *provided, however*, if VON MAUR'S challenge or contest results in a reduction of the real estate tax assessment for the Subject Property below the Threshold EAV, *then, in that event*, Von Maur shall make a payment in lieu of taxes for such tax years as follows:

(a) to the VILLAGE in the amount of the real estate tax that the VILLAGE would otherwise have received for the Subject Property if the Subject Property was assessed at the Threshold EAV for its debt service tax levy of general applicability minus the amounts actually paid by VON MAUR for the VILLAGE'S debt service levy for such tax year; and

(b) to the NON-VILLAGE UNITS OF GOVERNMENT in an amount equal to fifty percent (50%) of the real estate tax plus one hundred percent (100%) of any debt service levy of general applicability that such NON-VILLAGE UNITS OF GOVERNMENT would have received for the Subject Property if the Subject Property were assessed at the Threshold EAV, minus the amounts actually paid by VON MAUR for its general real estate taxes levied by the NON-VILLAGE UNITS OF GOVERNMENT for such tax years.

- C. VON MAUR agrees to not file, participate in, or allow any of its affiliates, agents, attorneys, consultants or employees to file or participate in a tax rate objection, contest or other challenge to the taxes and/or levies of the taxing districts authorized by law to levy property taxes against the Subject Property, including the Project located thereon.
- D. VON MAUR agrees to not pursue, permit or allow any of its affiliates, agents, attorneys or employees to agree to, pursue or permit the disconnection or detachment of the Subject Property from any of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT.

5. SALES TAX REBATE AGREEMENT.

Contemporaneously with the execution of this Agreement by all Parties, VON MAUR and the VILLAGE shall enter into a SALES TAX REBATE AGREEMENT, in a form substantially as that attached hereto and made a part hereof as EXHIBIT E, whereby the VILLAGE shall annually, for a maximum of ten (10) consecutive years commencing on the Commencement Date, pay to VON MAUR the VILLAGE'S Sales Tax revenue (as defined in EXHIBIT E) for each annual period that is attributable to gross sales from the Project as contemplated and described in the SALES TAX REBATE AGREEMENT. Said SALES TAX REBATE AGREEMENT shall terminate on the first to occur of (a)

the completion of said ten (10) year period; or (b) when the combined VILLAGE Sales Tax Rebate payments, VILLAGE building permit and inspection fee waivers and the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT Tax Abatements provided for in this Agreement total EIGHT MILLION, FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$8,500,000.00).

6. VILLAGE WAIVER OF BUILDING PERMIT AND INSPECTION FEES.

All building permit fees and VILLAGE inspection fees as set forth in the VILLAGE Codes and Ordinances and which VON MAUR would normally be obligated to the VILLAGE for in connection with the Project shall be waived by the VILLAGE so long as VON MAUR proceeds diligently with the Project and remains in compliance with all terms of this Agreement.

7. REPORTING BY VON MAUR.

During the term of this Agreement and in addition to any other reporting obligations required by law, this Agreement or the SALES TAX REBATE AGREEMENT (EXHIBIT E), VON MAUR shall report annually to the VILLAGE and NON-VILLAGE GOVERNMENTAL BODIES the status of employment and its annual estimated payroll. Within thirty (30) days following the Commencement Date, VON MAUR will report to the VILLAGE the total estimated Project renovation and construction costs. All reports received by the VILLAGE from VON MAUR pursuant to this Section shall be distributed by the VILLAGE to all NON-VILLAGE UNITS OF GOVERNMENT.

8. GENERAL CONDITIONS/REQUIREMENTS.

- A. This Agreement is entered into for the benefit of each of the Parties, solely, and not for the benefit of any third party.
- B. Nothing contained in this Agreement shall constitute a waiver of any privileges, defenses or immunities which the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT may have under the Local Governmental and Governmental Employees Tort Immunity Act, 745 ILCS 10/1-101, *et seq.*, or any other applicable laws, with respect to any claim brought by a third party.
- C. The obligations of VON MAUR shall constitute covenants running with the land legally described in Exhibit A-1 and shall be binding on successors and assigns of VON MAUR and shall bind all owners of the Subject Property, including the Project located thereon, or any portion thereof.
- D. A Memorandum of this Agreement in a form approved by counsel for the Parties shall be recorded on the title to the Subject Property at the expense of VON MAUR upon taking effect.
- E. Upon a breach of this Agreement by VON MAUR, any of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT may repeal their respective

Abatement Ordinance/Resolution, and any Party, by an action or proceeding brought in the Circuit Court of Cook County, Illinois, may recover from VON MAUR the amounts of their respective Tax Abatements, Sales Tax Rebates and building permit and inspection fees for failure of performance.

- F. In the event of a default by any of the Parties, the defaulting Party, as adjudicated by a court of competent jurisdiction, shall pay to the non-defaulting Party/Parties, upon demand, all of the non-defaulting Party's/ Parties' reasonable costs, charges and expenses, including, but not limited to, the costs of accountants, consultants, attorneys and others retained by the non-defaulting Party/Parties for the purpose of enforcing any of the obligations of the defaulting Party under this Agreement.
- G. The failure of any Party to insist upon the strict and prompt performance of the terms, covenants, agreements and conditions herein contained, or any of them, by any other Party, shall not constitute or be construed as a waiver or relinquishment of any Party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.
- H. If the performance by any Party hereunder is delayed as a result of circumstances which are beyond the reasonable control of such Party (which circumstances shall only include acts of God, war, strikes or similar acts of *force majeure*), the time for such performance shall be extended by the amount of time of such delay.
- I. This Agreement shall remain in full force and effect for ten (10) years after the Commencement Date, except as otherwise provided in Section 3B. of this Agreement.
- J. In the event that any VILLAGE or NON-VILLAGE UNIT OF GOVERNMENT's authority under the Abatement Law to carry out its obligation in this Agreement is repealed, becomes null and void or otherwise becomes invalid, then (i) such VILLAGE or NON-VILLAGE UNIT OF GOVERNMENT's obligations hereunder shall cease and no further obligations of any sort shall be required of the VILLAGE or NON-VILLAGE UNIT OF GOVERNMENT, and (ii) VON MAUR's obligations to such VILLAGE or NON-VILLAGE UNIT OF GOVERNMENT hereunder (including, without limitation, VON MAUR's obligations to such VILLAGE or NON-VILLAGE UNIT OF GOVERNMENT under Section 3.B.) shall cease as of the date on which any such VILLAGE or NON-VILLAGE UNIT OF GOVERNMENT's authority under the Abatement Law to carry out its obligation in this Agreement is repealed, becomes null and void or otherwise becomes invalid. Neither VON MAUR shall have recourse against the affected UNITS OF GOVERNMENT in such event and such affected UNIT(s) OF GOVERNMENT shall have no recourse against VON MAUR.
- K. No amendment to, or modification of, this Agreement shall be effective unless and until it is in writing and approved by the authorized representative of VON

MAUR and by each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT's corporate authorities, and executed and delivered by the authorized representatives of each Party.

- L. If, during the term of this Agreement, any lawsuits or other proceedings are filed or initiated against any Party before any court, commission, board, bureau, agency, unit of government or sub-unit thereof, arbitrator, or other instrumentality, that may materially affect or inhibit the ability of any Party to perform its obligations under, or otherwise to comply with, this Agreement ("Litigation"), the Party against which the Litigation is filed or initiated shall promptly deliver a copy of the complaint or charge related thereto to the other Parties and shall thereafter keep the other Parties fully informed concerning all aspects of the Litigation. Each Party shall, to the extent necessary, cooperate with the other Parties in this event. The Parties each agree to use their respective best efforts to defend the validity of this Agreement and the Abatement Ordinances / Resolutions adopted pursuant to this Agreement, including every portion thereof and every approval given, and every action taken, pursuant thereto.
- M. VON MAUR shall maintain the Subject Property, and operate the Project, in compliance with all Federal, State, County, and VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT laws, ordinances, resolutions, rules and regulations.
- N. From the Effective Date until the end of the ten (10) year period after the Commencement Date, VON MAUR shall not assign this Agreement to any person or entity without the prior written consent of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT, which consent may be given or withheld as determined by the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT, in their sole and absolute discretion; provided, however, that VON MAUR may, without the requirement of any approval or consent by the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT, assign this Agreement and any rights to payment hereunder (i) to a party which is a trustee or nominee for, or a parent or subsidiary of, or has common ownership with, VON MAUR; or (ii) any entity that simultaneously acquires the Subject Property and the other Von Maur stores in the Chicagoland area. However, any such assignment that is not subject to the prior consent of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT may be made only after VON MAUR gives the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT written notice thereof. No such assignment shall be effective, even if consented to by the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT, unless and until the Assignee acknowledges in writing to the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT that the obligations of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT to VON MAUR or any Assignee hereunder are contingent upon certain conditions, covenants and/or the performance of certain obligations on the part of VON MAUR which are set forth in this Agreement which such Assignee is willing to assume. Notwithstanding any such assignment and/or assumption of responsibility, VON MAUR shall

remain liable for all of its agreements, covenants and obligations and the performance thereof pursuant to this Agreement.

9. **NOTICES.** Notice or other writings which any Party is required to, or may wish to, serve upon any other Party in connection with this Agreement shall be in writing and shall be delivered personally or sent by registered or certified mail, return receipt requested, postage prepaid, addressed as follows:

If to the VILLAGE:

Village of Orland Park
14700 S. Ravinia Avenue
Orland Park, IL 60462
Attn: Village President

With copies to:

Village of Orland Park
14700 S. Ravinia Avenue
Orland Park, IL 60462
Attn: Village Manager

- and -

Klein, Thorpe & Jenkins, Ltd.
15010 S. Ravinia – Suite 10
Orland Park, Illinois 60462
Attn: E. Kenneth Friker, Esq.

If to the LIBRARY:

Orland Park Public Library
14921 S. Ravinia Avenue
Orland Park, Illinois 60462
Attn: President

With copies to:

Orland Park Public Library
14921 S. Ravinia Avenue
Orland Park, Illinois 60462
Attn: Library Director

- and -

Klein, Thorpe & Jenkins, Ltd.
15010 S. Ravinia – Suite 10
Orland Park, Illinois 60462
Attn: Dennis G. Walsh, Esq.

If to the ELEMENTARY SCHOOL DISTRICT:

Orland School District 135
15100 S. 94th Avenue
Orland Park, Illinois 60462
Attn: President

With copies to:

Orland School District 135
15100 S. 94th Avenue
Orland Park, Illinois 60462
Attn: Superintendent

- and -

If to the HIGH SCHOOL DISTRICT:

Consolidated High School District 230
15100 S. 94th Avenue
Orland Park, Illinois 60462
Attn: President

With copies to:

Consolidated High School District 230
15100 S. 94th Avenue
Orland Park, Illinois 60462
Attn: Superintendent

- and -

Klein, Thorpe & Jenkins, Ltd.
15010 S. Ravinia Avenue, Suite 10
Orland Park, Illinois 60462
Attn: Thomas M. Melody, Esq.

Franczek Radelet, P.C.
300 S. Wacker Drive – Suite 3400
Chicago, Illinois 60606
Attn: Ares G. Dalianis, Esq.

If to the FIRE PROTECTION DISTRICT:

If to VON MAUR:

Orland Fire Protection District
9790 W. 151st Street
Orland Park, Illinois 60462
Attn: President

VON MAUR, INC.
6565 Brady Street
Davenport, Iowa 52806
Attn: Chief Financial Officer

With copies to:

With a copy to:

Orland Fire Protection District
9790 W. 151st Street
Orland Park, Illinois 60462
Attn: Fire Chief

Lane & Waterman, LLP
220 N. Main Street, Suite 600
Davenport, Iowa 52801
Attn: Richard A. Davidson, Esq.

or to such other address, or additional individuals/entities, as any Party may from time to time designate in a written notice to the other Parties. Service by personal delivery shall be deemed given when delivery occurs, and service by certified or registered mail shall be deemed given three (3) days after depositing same in the mail.

10. **COUNTERPARTS**. This Agreement may be executed simultaneously in up to seven (7) counterparts, each of which shall be deemed an original, but all of which shall constitute one and the same Agreement.
11. **ENTIRE AGREEMENT**. This Agreement contains the entire understanding between the Parties and supersedes any prior understanding or written or oral agreements between them regarding the within subject matter. There are no representations, agreements, arrangements or understandings, oral or written, between and among the Parties hereto relating to the subject matter of this Agreement which are not fully expressed herein.
12. **EFFECTIVE DATE**. This Agreement shall be deemed dated and become effective on the date the last of the Parties executes this Agreement as set forth below, which date shall be filled in on page 1 hereof.

IN WITNESS WHEREOF, the VILLAGE, pursuant to authority granted by the adoption of an Ordinance by its Village President and Board of Trustees, has caused this Agreement to be executed by its Village President and attested by its Village Clerk; the

LIBRARY, pursuant to the authority granted by the adoption of a Motion/Resolution by its Board of Library Trustees, has caused this Agreement to be signed by its President and attested by its Secretary; the FIRE PROTECTION DISTRICT, pursuant to the authority granted by the adoption of a Motion/Resolution by its Board of Trustees, has caused this Agreement to be signed by its President and attested by its Secretary; the ELEMENTARY SCHOOL DISTRICT, pursuant to the authority granted by the adoption of a Motion/Resolution by its Board of Education, has caused this Agreement to be signed by its President and attested by its Secretary; the HIGH SCHOOL DISTRICT, pursuant to the authority granted by the adoption of a Motion/Resolution by its Board of Education, has caused this Agreement to be signed by its President and attested by its Secretary; and VON MAUR, INC., has caused this Agreement to be executed by its Chief Financial Officer and attested by its Secretary.

VILLAGE OF ORLAND PARK

BOARD OF LIBRARY TRUSTEES OF THE VILLAGE OF ORLAND PARK

By: _____
 Village President

By: _____
 President, Board of Library Trustees

ATTEST:

ATTEST:

 Village Clerk

 Secretary, Board of Library Trustees

Dated: _____

Dated: _____

ORLAND SCHOOL DISTRICT 135

CONSOLIDATED HIGH SCHOOL DISTRICT 230

By: _____
 President, Board of Education

 President, Board of Education

ATTEST:

ATTEST:

 Secretary, Board of Education

 Secretary, Board of Education

Dated: _____

Dated: _____

**ORLAND FIRE
PROTECTION DISTRICT**

VON MAUR, INC.

By: _____
President

By: _____
Robert Larsen, Chief Financial Officer

ATTEST:

ATTEST:

Secretary
Dated: _____

Secretary
Dated: _____

STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that the above-named _____ and _____, personally known to me to be the President and Secretary of the Orland Fire Protection District, and also known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, respectively, appeared before me this day in person and severally acknowledged that, as such President and Secretary, they signed and delivered the signed instrument, pursuant to authority given by the Orland Fire Protection District, as their free and voluntary act, and as the free and voluntary act and deed of said Orland Fire Protection District, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this ____ day of _____, 2018.

Notary Public

My commission expires _____

STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that the above-named LAURA BERRY and ANGIE SEXTON, personally known to me to be the President and Secretary of the Board of Education of School District 135, and also known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, respectively, appeared before me this day in person and severally acknowledged that, as such President and Secretary, they signed and delivered the signed instrument, pursuant to authority given by the Board of Education of School District 135, as their free and voluntary act, and as the free and voluntary act and deed of said Board of Education of School District 135, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this ____ day of _____, 2018.

Notary Public

My commission expires _____

STATE OF ILLINOIS)
) SS.
COUNTY OF C O O K)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that the above-named RICK NOGAL and SUSAN DALTON, personally known to me to be the President and Secretary of the Board of Education of Consolidated High School District 230, and also known to me to be the same persons whose names are subscribed to the foregoing instrument as such President and Secretary, respectively, appeared before me this day in person and severally acknowledged that, as such President and Secretary, they signed and delivered the signed instrument, pursuant to authority given by the Board of Education of Consolidated High School District 230, as their free and voluntary act, and as the free and voluntary act and deed of said Board of Education of Consolidated High School District 230, for the uses and purposes therein set forth.

GIVEN under my hand and official seal, this ____ day of _____, 2018.

Notary Public

My commission expires _____

STATE OF _____)
) SS
COUNTY OF _____)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY that the above-named ROBERT LARSEN and _____, personally known to me to be the Chief Financial Officer and Secretary of VON MAUR, INC., and also known to me to be the same persons whose names are subscribed to the foregoing instrument as such Chief Financial Officer and Secretary, respectively, appeared before me this day in person and severally acknowledged that, as such President and Secretary, they signed and delivered the signed instrument, pursuant to authority given by VON MAUR, INC., as their free and voluntary act, and as the free and voluntary act and deed of VON MAUR, INC., for the uses and purposes therein set forth.

GIVEN under my hand and Notary Seal, this ____ day of _____, 2018.

Notary Public

My Commission Expires: _____

EXHIBIT A-1

Legal Description of Subject Property

(attached)

EXHIBIT A-2

Depiction of Subject Property

(attached)

EXHIBIT B-1

Project Site Plan

(attached)

EXHIBIT B-2

Project Description

(attached)

EXHIBIT C

Abatement Ordinances/Resolutions

(attached)

**[ORDINANCE / RESOLUTION] PROVIDING FOR REAL ESTATE TAX ABATEMENT
(NON-VILLAGE UNIT OF GOVERNMENT)**

WHEREAS, the Illinois Property Tax Code, 35 ILCS 200/18-165, authorizes any taxing district to abate its taxes in relation to a specific property; and

WHEREAS, in “An Intergovernmental Agreement Among the Village of Orland Park, Consolidated High School District 230, Orland School District 135, Orland Fire Protection District, Board of Library Trustees of the Village of Orland Park and Von Maur, Inc. Relative to the Development of the former Carson Pirie Scott & Co. Property,” dated _____, 2018 (“IGA”), the President and Board of Trustees of the Village previously determined it to be in its best interests to abate a portion of its taxes on the real estate legally described in **Exhibit 1**, attached hereto and made a part hereof (“Subject Property”), in order to encourage a commercial firm to redevelop the Subject Property; and

WHEREAS, the conditions of the IGA for the abatement of a portion of the taxes on the Subject Property have been met; and

WHEREAS, in the IGA, this [Board of Library Trustees/ Board of Commissioners / Board of Education] previously determined such abatement of taxes to be in the best interests of its tax payers in order to encourage a commercial firm to redevelop the Subject Property, increase the tax base, and increase employment opportunities; and

NOW, THEREFORE, BE IT [ORDAINED / RESOLVED] [by the Board of Trustees / Board of Commissioners / Board of Education] of the [Unit of Government], Cook County, Illinois, as follows:

Section 1. This [Board of Trustees / Board of Commissioners / Board of Education] hereby finds that all of the recitals contained in the preambles to this [Ordinance / Resolution] are full, true and correct and does now incorporate the same herein by reference.

Section 2. The County Clerk of Cook County, Illinois is hereby ordered to abate the real estate taxes to be extended on the Subject Property, on behalf of the [Unit of Government] according to the rate set forth in Section 3 below, but excluding any levy or levies for debt service (“Abatement Rate”), commencing at the start of the next calendar year after the year in which this [Ordinance / Resolution] is passed. However, in no event shall the aggregate abatement of real estate taxes levied against the Subject Property by the [Unit of Government], together with real estate taxes levied against the Subject Property and abated in previous and future years by all other taxing districts, except for the Village of Orland Park, exceed the total of FOUR MILLION AND NO/100 DOLLARS (\$4,000,000.00).

Section 3. The Abatement Rate shall be an annual amount equal to Fifty Percent (50%) of the real estate taxes to be extended on the Subject Property for the 2017 tax year on behalf of the [Unit of Government].

Section 4. The [President] and [Clerk / Secretary] of this [Unit of Government] are hereby authorized and directed to execute this [Ordinance / Resolution] and cause a certified copy of the same to be filed with the County Clerk of Cook County, Illinois.

Section 5. This [Ordinance / Resolution] shall be in full force and effect upon its adoption and publication.

PASSED this _____ day of _____, 20__ by a majority vote of the Corporate Authorities of the [Unit of Government] on a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

APPROVED by the [President] of the [Unit of Government] on the ____ day of _____, 20__.

[Mayor / Chairman / President]

ATTEST:

[Secretary]

Published in the _____ newspaper, being a newspaper of general circulation within the [Unit of Government] this ____ day of _____, 20__.

Exhibit 1

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

(attached)

**ORDINANCE PROVIDING FOR SALES TAX REBATE
AND REAL ESTATE TAX ABATEMENT
(VILLAGE)**

WHEREAS, the home rule authority of the Village of Orland Park, as well as Sections 8-1-2.5 and 8-11-20 (65 ILCS 5/8-1-2.5 and 5/8-11-20) provides authority for the Village to rebate Retailers' Occupation and Service Occupation Taxes ("Sales Taxes") as well as to abate its taxes in relation to specific property as an economic development incentive; and

WHEREAS, in "An Intergovernmental Agreement Among the Village of Orland Park, Consolidated High School District 230, Orland School District 135, Orland Fire Protection District, Board of Library Trustees of the Village of Orland Park and Von Maur, Inc. Relative to the Development of the former Carson Pirie Scott & Co. Property," dated _____, 2018 ("IGA"), the President and Board of Trustees of the Village previously determined it to be in its best interests to abate a portion of its taxes on the real estate legally described in **Exhibit 1**, attached hereto and made a part hereof ("Subject Property"), in order to encourage a commercial firm to redevelop the Subject Property; and

WHEREAS, the conditions of the IGA for the rebate of Sales Taxes and abatement of a portion of the taxes on the Subject Property have been met; and

WHEREAS, in the IGA, this President and Board Trustees previously determined such rebate of Sales Taxes and abatement of taxes to be in the best interests of its tax payers in order to encourage a commercial firm to redevelop the Subject Property, increase the tax base, and increase employment opportunities; and

NOW, THEREFORE, BE IT ORDAINED by the President and Board of Trustees of the Village of Orland Park, Cook and Will Counties, Illinois, as follows:

Section 1. This President and Board of Trustees hereby finds that all of the recitals contained in the preambles to this Ordinance are full, true and correct and does now incorporate the same herein by reference.

Section 2. The County Clerk of Cook County, Illinois is hereby ordered to abate the real estate taxes to be extended on the Subject Property, on behalf of the Village of Orland Park according to the rate set forth in Section 3 below, but exclusive of any levy or levies for debt service of general applicability to all taxable property within the Village ("Abatement Rate"), commencing at the start of the next calendar year after the year in which this Ordinance is passed. However, in no event shall the aggregate abatement of real estate taxes levied against the Subject Property by the VILLAGE, the VILLAGE Sales Tax Rebates and VILLAGE building permit and inspection fee waivers, together with real estate taxes levied against the Subject Property and abated in previous and future years by all other taxing districts, except for the Village of Orland Park, exceed the total of EIGHT MILLION, FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$8,500,000.00).

Section 3. The Abatement Rate shall be an annual amount limited to One Hundred Percent (100%) of the real estate taxes (not including tax levies for debt service) to be extended on the Subject Property for the _____ tax year on behalf of the VILLAGE.

Section 4. The Village shall, no less frequently than annually, advise the County Clerk in writing as to the monetary benefits received by Von Maur from the Village, Consolidated High School District 230, Orland School District 135, Orland Fire Protection District and Board of Library Trustees of the Village of Orland Park as a result of the Real Estate Tax Abatements, Sales Tax Rebates and waivers of Village building permit and inspection fees.

Section 5. The Village President and Clerk of this Village are hereby authorized and directed to execute this Ordinance and cause a certified copy of the same to be filed with the County Clerk of Cook County, Illinois.

Section 6. This Ordinance shall be in full force and effect upon its adoption and publication.

PASSED this _____ day of _____, 2018 by a majority vote of the Corporate Authorities of the Village of Orland Park on a roll call vote as follows:

AYES: _____

NAYS: _____

ABSENT: _____

Village President

ATTEST:

Village Clerk

Published in pamphlet form this _____ day of _____, 2018.

Exhibit 1

LEGAL DESCRIPTION OF THE SUBJECT PROPERTY

(attached)

EXHIBIT D

ABATEMENT PROCESS

Capitalized terms in this EXHIBIT D shall have the meanings as set forth for said terms in the “Intergovernmental Agreement Between the Village of Orland Park, Board of Library Trustees of the Village of Orland Park, the Orland Fire Protection District, Orland School District 135, Consolidated High school District 230 and Von Maur, Inc. Relative to the Development of the Carson Pirie Scott & Co. Property (“IGA”), unless otherwise defined in this EXHIBIT D.

As of the Effective Date of the IGA, the process for administering the Tax Abatement is:

1. Within sixty (60) days of the Commencement Date, each VILLAGE and NON-VILLAGE UNIT OF GOVERNMENT shall adopt an Abatement Ordinance / Resolution, and send a certified copy of its Abatement Ordinance / Resolution to the Cook County Clerk (“Clerk”).

2. The Clerk shall, at the time the tentative tax rates are prepared for each year’s property tax levy, send to the chief executive officer of each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT a letter setting forth, with respect to the Tax Abatement, the parcel(s) affected, the amount of property taxes to be levied, and the amount of the abatement attributable to each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT (“Abatement Letter”).

3. Each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT shall, each year, review the Abatement Letter from the Clerk, note any changes in the information provided, and then sign and return the Abatement Letter to the Clerk, all within seven (7) days of receipt of the Abatement Letter.

4. The Clerk shall track and account for the total Tax Abatement paid to VON MAUR and the Village Finance Director shall no less frequently than annually, report in writing to the Clerk the monetary benefits received by Von Maur, Inc. from the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT as a result of the Real Estate Tax Abatements, Sales Tax Rebates and waiver of VILLAGE building permit and inspection fees.

5. The Clerk shall calculate the property tax levy for each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT taking the Tax Abatement into account, as approved by each of the VILLAGE and NON-VILLAGE UNITS OF GOVERNMENT with regard to its annual Abatement Letter.

6. The Tax Abatement for the Subject Property abated in previous and future years by all NON-VILLAGE UNITS OF GOVERNMENT, shall not exceed the total of FOUR MILLION AND NO/100 DOLLARS (\$4,000,000.00), and, when combined with the Tax Abatement of the VILLAGE, VILLAGE Sales Tax Rebates and VILLAGE building permit and inspection fee waivers shall not exceed the total of EIGHT MILLION, FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$8,500,000.00).

EXHIBIT E

SALES TAX REBATE AGREEMENT

(Attached)

SALES TAX REBATE AGREEMENT

THIS AGREEMENT entered into this _____ day of _____, 2018, by and between the **VILLAGE OF ORLAND PARK**, an Illinois home rule municipality (the "Village") and **VON MAUR, INC.**, an Illinois corporation (referred to as "Von Maur").

WITNESSETH:

WHEREAS, Von Maur occupies real estate located within the corporate limits of the Village of Orland Park, Illinois, located at 4 Orland Square Drive, Orland Park, Illinois (the "Subject Property"), which Property is the former location of Carson Pirie Scott & Co. and now is to be operated by Von Maur for a retail department store; and

WHEREAS, Von Maur is to renovate and remodel the exterior and interior of the existing facility and installing major physical improvements at a cost in excess of \$25,000,000 (the "Project"); and

WHEREAS, Von Maur anticipates generating an additional tens of millions of dollars in new retail sales resulting in substantial additional sales tax revenue to the Village as well as providing employment for a substantial number of new employees generating an additional estimated average annual payroll of \$4,000,000 to \$5,000,000; and

WHEREAS, the Village of Orland Park hereby finds that:

1. The Subject Property is currently zoned in the COR Mixed Use Zoning District; and
2. The Project is expected to create or retain job opportunities within the Village of Orland Park; and
3. The Project will serve to further the improvement and development of adjacent areas; and
4. Without this Agreement, Von Maur would reconsider its plans to renovate, remodel and improve the Subject Property, and this Project would not be possible; and
5. Von Maur meets high standards of creditworthiness and financial strength; and
6. The Project will strengthen the commercial sector of the Village; and
7. The Project will enhance the tax base of the Village; and
8. The Project will create increased sales tax revenue for the Village; and

9. This Agreement is made in the best interests of the Village; and
10. The Project is necessary to enhance development in this area of the Village; and
11. The benefit of the Project is public in nature and will promote the public welfare of the Village.

WHEREAS, the Village in adopting this Agreement is exercising powers provided in the Illinois Municipal Code, as well as its Home Rule Powers under the Illinois Constitution as set forth hereinafter; and

NOW THEREFORE, in consideration of the mutual promises herein contained and other good and valuable consideration the receipt and sufficiency whereof is hereby acknowledged, the parties hereto agree as follows:

1. **RECITALS:** The foregoing recitals are incorporated herein, by reference, as if fully set forth.

2. **CONSTITUTIONAL AND LEGISLATIVE AUTHORITY:**

A. The Illinois Constitution of 1970 provides in pertinent part:

Units of local government and school districts may contract and otherwise associate with individuals, associations, and corporations in any manner not prohibited by law or by ordinance. Participating units of government may use their credit, revenues, and other resources to pay costs and to service debt related to intergovernmental activities. (Article VII, Section 10(a))

B. The Illinois statutes provide that municipalities such as the Village may enter into economic incentive agreements relating to the development or redevelopment of land within the corporate limits of the municipality, and related thereto may agree to share or rebate a portion of any retailers' occupation taxes received by the municipality that were generated by the development or redevelopment over a finite period of time. (65 ILCS 5/8-11-20).

C. Pursuant to Article 7, §6(a), of the Illinois Constitution, the Village of Orland Park, which has a population of more than 25,000 is a home rule unit. A home rule unit may exercise any power and perform any function pertaining to its government and affairs including, but not limited to, the power to regulate for the protection of the public health, safety, goals and welfare; to license; to tax; and to incur debt.

3. **DEFINITION:**

"**Von Maur**" - unless otherwise provided, the term "Von Maur" shall mean VON MAUR, INC., an Illinois corporation, its successors, divisions, and subsidiaries, and its respective successor divisions, subsidiaries and/or corporate designees.

4. **ECONOMIC INCENTIVES:** It is understood by the parties and declared by the Village that the Project is unique since Von Maur, as the user of this Subject Property, will likely generate substantial Village Sales Tax Revenue (as hereinafter defined) not ordinarily realized by such a use. It is also understood by the parties and declared by Von Maur that Von Maur may reconsider its plans for the Project but for the incentives provided by this Agreement. Von Maur represents and warrants to the Village that it requires the economic assistance from the Village in order to commence and complete the Project. Therefore, the incentives contained in this Agreement are unique to this situation and Subject Property. Von Maur will comply in all respects with the Retailer's Occupation Tax Act (35 ILCS 115/1 et seq.) and the Service Occupation Tax Act (35 ILCS 120/1 et seq.) and will permit the individual sales tax reporting to be given to the Village.

5. **VILLAGE SALES TAX REBATE:** Annually for a maximum of ten (10) consecutive years (unless such term of years shall be extended by the Village Board) beginning with the period from _____, 201__, through _____, 201__, the Village shall pay to Von Maur a sum which totals Fifty Percent (50%) of the Village Sales Tax Revenue, for any twelve (12)_month period that is attributable to gross sales within the State of Illinois originated by the Development on the Subject Property within the Village which are subject to those taxes contemplated by Paragraph 6 below. This Agreement shall terminate upon the first to occur of (a) the completion of the ten (10) year period; or (b) when the combined sales tax rebate payments, the tax abatements and Village building permit and inspection fee waivers provided for in the Intergovernmental Agreement among the Village of Orland Park, Consolidated High School District 230, Orland School District 135, Orland Fire Protection District, Board of Library Trustees of the Village of Orland Park and Von Maur, Inc. Relative to the Development of the Carson Pirie Scott & Co. Property ("Tax Abatement Agreement") totals EIGHT MILLION, FIVE HUNDRED THOUSAND AND NO/100 DOLLARS (\$8,500,000.00).

6. **SALES TAX REBATE MECHANISM:**

Definitions: For the purpose of this Agreement, the use of the terms "Village Sales Tax" and "Village Sales Tax Revenue" shall be construed to refer to that net portion of taxes imposed by the State of Illinois for distribution to the Village pursuant to the Retailer's Occupation Tax Act and the Service Occupation Tax Act (as said acts may be amended), or any other "sales tax," "service tax" or similar tax that may be enacted by the State of Illinois or any governmental agency or body created under the laws of the State of Illinois and located within the State of Illinois, and which are collected by the State of Illinois and distributed to the Village, including the Village's Home Rule Municipal Retailers' Occupation Tax and Home Rule Municipal Service Occupation Tax. Currently such net portion is one percent (1%) imposed by the State of Illinois and three-fourths of one percent (0.75%) imposed by the Village of the total amount of gross sales within the State of Illinois originated by the Project within the Village which is subject to the aforementioned tax.

Sales Tax Reports: Von Maur shall furnish to the Village copies of any and all Illinois sales tax returns and any amended Illinois sales tax returns for the applicable twelve (12) month period, together with a cover letter containing Von Maur's calculation of the Village Sales Tax to be rebated according to this Agreement (collectively, the "Reports"). Such reports shall be delivered no later than fifteen (15) days after the filing with the Illinois Department of Revenue or successor agency of the Illinois sales tax return for the last month of the applicable twelve (12) month period.

To the extent permitted by law, the Village shall maintain the confidentiality of the information contained in such Reports, but shall be permitted to disclose such information and documents on a confidential need-to-know basis to employees and consultants as the Village, in its sole discretion, deems appropriate in order to monitor compliance and audit this Agreement. In the event that the Village receives a request pursuant to the Illinois Freedom of Information Act for information contained in the Reports, prior to the Village refusing to provide such information, the Village shall immediately notify Von Maur, providing a copy of the request, and Von Maur shall have the opportunity within seven (7) days after receipt of such notice from the Village to notify the Village that it consents to the request. In the event that no consent is received within said time period, the Village shall refuse to disclose the information and shall not thereafter disclose the information without the consent of Von Maur unless compelled to do so by Court Order. In the event that action is ever commenced against the Village pursuant to the Illinois Freedom of Information Act or similar statute as a result of withholding any documents provided by Von Maur, Von Maur agrees to indemnify and hold the Village harmless with respect to any attorney's fees or costs or judgments imposed on or incurred by the Village as a result of such action; provided, that the Village has notified Von Maur of the applicable request as specified above and the Village has followed Von Maur's instructions in responding to such request. Von Maur understands and agrees that the provisions of this Agreement shall be a matter of public record, as shall any and all payments to Von Maur pursuant to this Agreement. Von Maur also agrees upon the request of the Village to furnish such consents or waivers as may be required by the Illinois Department of Revenue to allow the Illinois Department of Revenue to furnish the sales tax information concerning Von Maur's facilities required herein.

Reimbursement Mechanism: Not later than thirty (30) days after the receipt of the tax or distribution from the Illinois Department of Revenue or Successor Agency, the Village shall remit in full to Von Maur at the address specified below Von Maur's share of the Village Sales Tax Revenue for that particular reporting period.

If any distribution applicable to a period within the ten (10) year period set forth hereinabove is received by the Village after the ten (10) year period, it shall be paid to Von Maur subject to the reduction requirements of this "Rebate Mechanism" Section.

Any payments determined to be due to Von Maur from the Village based upon the Reports shall be reduced by the amount of any and all collection fees, including but not limited to the "Seller's Discount", imposed upon the Village by the State of Illinois or the Illinois Department of Revenue or successor agency for collection of the Village Sales Tax Revenues.

7. **ADDITIONAL VON MAUR OBLIGATIONS:** The Village's obligation to make sales tax rebate payments to Von Maur is conditioned upon Von Maur:

A. Providing to the Village evidence satisfactory to the Village (in the form of paid receipts, cancelled checks, etc.) verifying that Von Maur has incurred expansion and renovation costs for the Subject Property in excess of \$_____; and

B. Occupancy of the Subject Property by Von Maur not later than June 30, 2020; and

C. The Village has granted approvals required for all site plans, elevations, signage and building permits.

8. **REMEDIES:** Upon a breach of this Agreement, either of the parties, in any court of competent jurisdiction, by an action or proceeding at law or in equity, may secure the specific performance of the covenants and agreements herein contained, may be awarded damages for failure of performance, or both. Before any failure of any party to this Agreement to perform its obligations under this Agreement shall be deemed to be a breach of this Agreement, the party claiming such failure shall notify, in writing, in accordance with Paragraph 9 below, the party alleged to have failed to perform its obligations. No breach of this Agreement may be found to have occurred if performance has commenced to the satisfaction of the complaining party within thirty (30) days of receipt of such notice and is being continuously and diligently pursued.

It is further understood and agreed that the Village shall be relieved of any and all of its obligations arising hereunder, and such obligations on the part of the Village shall be immediately canceled, become null and void, and be without any force or effect in the event that, within fifteen (15) years of the date of this Agreement, Von Maur a) ceases operating the Project on the Subject Property, or (b) breaches any of its obligations under the terms of the Tax Abatement Agreement, and fails to cure such breach within the applicable thirty (30) day cure period as provided above. Additionally, in the event either a) or b), above, occurs within five (5) years of the date of this Agreement, as agreed liquidated damages and not as a penalty, Von Maur will reimburse the Village all of the sales tax revenue rebated to Von Maur by the Village.

9. **ADDRESS FOR NOTICES:** All notices and other communications in connection with the Agreement shall be in writing, and any notice, communication or payment hereunder shall be deemed delivered to the addresses thereof five (5) days after deposit in any main or branch United States Post Office, certified or registered mail, postage prepaid, or two (2) days after deposit thereof with any nationally known and reputable overnight courier service, delivery charges prepaid, or on the date of delivery, if personally delivered, in any case, addressed to the parties respectively as follows:

If to the VILLAGE:

Village of Orland Park
14700 S. Ravinia Avenue
Orland Park, IL 60462
Attn: Village President

With copies to:

Village of Orland Park
14700 S. Ravinia Avenue
Orland Park, IL 60462
Attn: Village Manager

If to VON MAUR:

VON MAUR, INC.
6565 Brady Street
Davenport, Iowa 52806
Attn: Chief Financial Officer

With a copy to:

Lane & Waterman, LLP
220 N. Main Street, Suite 600
Davenport, Iowa 52801
Attn: Richard A. Davidson, Esq.

- and -

Klein, Thorpe & Jenkins, Ltd.
15010 S. Ravinia – Suite 10
Orland Park, Illinois 60462
Attn: E. Kenneth Friker, Esq.

By notice complying with the requirement of this paragraph, each party shall have the right to change the address or addresses for all further notices, other communications and payment to such party; provided, however, that notice of a change of address, addressee or both shall not be effective until actually received.

10. **AMENDMENTS:** The parties agree that the term of this Agreement may be extended by mutual agreement of the parties and that this Agreement and any exhibits attached hereto may be amended only by a signed written agreement of the parties.

11. **NO WAIVER OF RIGHT TO ENFORCE AGREEMENT:** Failure of any party to this Agreement to insist upon the strict and prompt performance of the terms, covenants, agreements and conditions herein contained, or any of them, upon any other party imposed, shall not constitute or be construed as a waiver or relinquishment of any party's right thereafter to enforce any such term, covenant, agreement or condition, but the same shall continue in full force and effect.

12. **ENTIRE AGREEMENT:** This Agreement supersedes all prior agreements on the subject matter of Sales Tax Rebates, negotiations and exhibits and is a full integration of the entire Agreement of the parties relating to the subject matter hereof.

13. **SUCCESSORS AND ASSIGNS:** This Agreement shall be binding upon Von Maur and their respective successors and assigns, and upon successor corporate authorities of the Village and successor municipalities.

14. **TERM OF AGREEMENT:** This Agreement shall be binding upon the parties and their respective successors and assigns, commencing as of the date hereof, and for a term extending to the date of the last payment or abatement required pursuant to the provisions of this Agreement. Notwithstanding the foregoing, the obligations of Von Maur and the Village pursuant to the confidentiality obligations in Paragraph 6 above shall survive the termination of the remainder of this Agreement.

15. **FORCE MAJEURE:** This Agreement may be suspended for a period not to exceed two (2) years at the option of either the Village or Von Maur if an Act of God, which could not be avoided by the exercise of due care, prevents Von Maur from performing its business from the Subject Property as contemplated by this Agreement for more than thirty (30) days due to damage to or destruction of the Project or other facilities on the Subject Property.

16. **COUNTERPARTS:** This Agreement may be executed in any number of counterparts each of which shall be deemed an original, but all of which shall constitute one and the same instrument.

IN WITNESS WHEREOF, the parties hereto have executed this Agreement on the date first above written.

**VILLAGE OF ORLAND PARK
an Illinois Home Rule Municipality**

By: _____
Keith Pekau, Village President

ATTEST:

John C. Mehalek, Village Clerk

**VON MAUR, INC.,
an Illinois corporation**

By: _____
Robert Larsen, Chief Financial Officer

Attest:

Secretary

STATE OF ILLINOIS)
) SS
COUNTY OF COOK)

I, the undersigned, a Notary Public, in and for the County and State aforesaid, DO HEREBY CERTIFY, that KEITH PEKAU, personally known to me to be the Village President of the VILLAGE OF ORLAND PARK, and JOHN C. MEHALEK, personally known to me to be the Village Clerk of said Village, and personally known to me to be the same persons whose names are subscribed to the foregoing instrument, appeared before me this day in person and severally acknowledged that as such Village President and Village Clerk, they signed and delivered said instrument as their free and voluntary act, and as the free and voluntary act and deed of said Village for the uses and purposes therein set forth.

Given under my hand and official seal this _____ day of _____, 2018.

Notary Public

STATE OF ILLINOIS)
) SS.
COUNTY OF COOK)

I, the undersigned, a Notary Public in and for the County and State aforesaid, DO HEREBY CERTIFY that ROBERT LARSEN and _____, respectively the Chief Financial Officer and _____ Secretary of VON MAUR, INC., an Illinois corporation, and not individually, personally known to me to be the same persons whose names are subscribed to the foregoing instrument as such Chief Financial Officer and _____ Secretary, appeared before me this day in person and acknowledged that he/she signed and delivered the said instrument as his/her own free and voluntary act and as the free and voluntary act of said corporation for the uses and purposes therein set forth.

GIVEN under my hand and Notary Seal this _____ day of _____, 2018.

Notary Public