

VILLAGE OF OAK PARK

THE DAY NURSERY LOAN COMMITMENT AND AGREEMENT

THIS AGREEMENT entered into this 3rd day of June, 2025 by and between the Village of Oak Park, an Illinois home rule municipal corporation (the "Village") and The Day Nursery ("Owner") of 1139 Randolph Street, an early childhood education center operated at this location ("Property").

NOW, THEREFORE, for and in consideration of the mutual covenants contained herein, the parties hereto do mutually agree as follows:

1. The Owner has sought financial assistance in the amount of \$246,532.00 to be used for operation of the early childhood education center operated at 1139 Randolph Street, Oak Park, County of Cook, State of Illinois, which real property is legally described as:

THE NORTH HALF OF THE SOUTH TWO-THIRDS OF LOT 4, IN BLOCK 2, IN WILLIAM C. REYNOLDS SUBDIVISION OF THE NORTHWEST QUARTER OF THE SOUTHWEST QUARTER OF SECTION 6, TOWNSHIP 39 NORTH, RANGE 13, EAST OF THE THIRD PRINCIPAL MERIDIAN, IN COOK COUNTY, ILLINOIS.

P.I.N.s:

16-07-314-019-0000
16-07-314-020-0000
16-07-314-021-0000
16-07-314-022-0000

2. The Village is desirous of supporting the Owner's continued operations as an early childhood education center supporting the needs of people who live in and work in Oak Park, including households needing financial support to access to early childhood education and child care. The Village will place a lien in the form of a Mortgage against the Property for the amount of loan funds provided to the Owner.
3. If the Owner successfully completes its obligations under this Agreement, the Village shall discharge the indebtedness created herein beginning June 3, 2035, and forgive one tenth of the principal each year until June 3, 2045, at which time the Village shall cancel this Note and release any security interest it may have without any payment of principal or interest.
4. If any portion of the Property is sold during the term of this agreement, the balance of the

lien at the time of sale must be repaid to the Village of Oak Park. The Village may waive this requirement at its sole discretion.

5. If all or any portion of the Property is listed for sale during the term of this agreement, the Village of Oak Park will have a right of first refusal to purchase the portion or portions of the Property listed for sale. The Owner will notify the Village in writing 45 days prior to listing the Property for sale of its intent to sell the Property. In order to exercise its right hereunder, the Village must deliver a written offer to the Owner within the 45-day notice period. The parties may agree to extend the time for delivery of a written offer by mutual agreement.
6. If there is a change in use of the Property within the term of the agreement, the lien must be repaid to the Village of Oak Park immediately. The Village may waive this requirement at its sole discretion.
7. All provisions of this Agreement requiring the Village to save and hold harmless, defend the Owner, its employees, servants, successors and other agents, and to pay all costs of involvements in legal actions regarding the Owner's participation in this Agreement shall survive any termination of this Agreement and, if the Owner or its employees, servants, successors or other agents is or becomes involved in any proceeding or litigation by reason of the Owner having been a party to this Agreement, such provisions shall apply as if this Agreement were still in effect.

NOW, THEREFORE, in consideration of the mutual promises contained herein, it is agreed as follows:

The Village will make an operational loan to the Owner for operation of The Day Nursery on the Property subject to the following terms and conditions:

a) The Owner must identify and work with a consultant to evaluate their operations. This evaluation must be completed by December 31, 2025. The final report of the consultant must be provided to the Village.

b) The Owner must undertake fundraising to create an operating reserve of \$200,000. This fund must be in existence and funded to \$100,000 by January 31, 2026. By January 31, 2027, the operating reserve must be funded to \$150,000, and by January 31, 2028 must be funded to \$200,000. The Owner must document this reserve fund to the Village and its funding sources through

a combination of bank statements and financial records.

c) The Owner must provide the Village a finalized plan of future operations that outlines how The Day Nursery will operate beyond January 31, 2026.

d) The Owner shall at all times while any sums hereunder remain unpaid maintain hazard insurance on the Property in an amount which is at least 80% of the Property's current market value and shall ensure the Village's interest in the Property in the amount of \$246,532. A policy insuring the Village's interest must be maintained in full force and effect throughout the full term of the loan. A copy of said policy must be provided to the Village prior to disbursement of any funds.

e) To secure repayment of the loan, the Village shall record a mortgage conforming substantially to the attached Mortgage and Note with the Recorder of Deeds to reflect the Village's interest in the Property.

f) Payment under any contract signed in connection with this loan is contingent upon loan approval by the Village of Oak Park Board of Trustees and/or the Village Manager.

g) Written notices required under this Agreement shall be to the Village Manager at 123 Madison Street, Oak Park, Illinois 60302, in the case of the Village and to Board President, The Day Nursery, 1139 Randolph Street, Oak Park, Illinois 60304, in the case of the Owner.

h) This Agreement may only be amended or modified by a written instrument, signed by the parties hereto, other than modifications required by changes in federal or state law or regulations or required by Village ordinance applicable to this Agreement. No amendment or modification of this Agreement shall be valid or enforceable unless in writing and signed by the authorized representatives of the parties.

i) This Agreement shall be governed by the laws of the State of Illinois both as to interpretation and performance.

j) Venue for any action brought pursuant to this Agreement shall be in the Circuit Court of Cook County, Illinois.

k) All obligations of the Owner hereunder, if signed by more than one individual, will be joint and several.

l) This Agreement represents the entire agreement between the parties and supersedes all previous communications or understandings, whether oral or written.

m) There are no covenants, promises, agreements, conditions or understandings between the parties, either oral or written, other than those contained in this Agreement and the recorded Mortgage.

1139 Randolph Street

BY _____ Date: _____
The Day Nursery

VILLAGE OF OAK PARK

BY _____ Date: _____
Kevin J. Jackson,
Village Manager

ATTEST

Christina M. Waters,
Village Clerk