

**INTERGOVERNMENTAL AGREEMENT BETWEEN THE VILLAGE OF OAK PARK AND THE OAK
PARK PUBLIC LIBRARY FOR A LINE OF CREDIT**

THIS INTERGOVERNMENTAL AGREEMENT ("**Agreement**"), is entered into between the Village of Oak Park, an Illinois home rule municipal corporation ("**Village**"), and the Oak Park Public Library, a public library organized under the Illinois Local Library Act, 75 ILCS 5/1-0.1 *et seq.* and body politic and corporate of the State of Illinois ("**Library**") (collectively, the Village and the Library are the "**Parties**", and individually, each is a "**Party**").

IN CONSIDERATION OF, and in reliance upon, the recitals and the mutual covenants set forth in this Agreement, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties mutually agree as follows:

WHEREAS, Article VII, Section 10, of the Illinois Constitution of 1970 and the Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*, authorize the Village and the Library to contract to perform any governmental service, activity or undertaking or to combine, transfer, or exercise any powers, functions, privileges or authority which any of such public agencies is authorized to perform; and

WHEREAS, due to the fact that the 2024 second installment property tax bills were not mailed to property owners until mid-November, the distribution of the funds by Cook County will not take place until late December or early January; and

WHEREAS, due to concerns it may not have enough funds to continue normal operations, the Library has requested that the Village loan funds as a line of credit to the Library on a short-term basis until the 2024 second installment tax distribution has been received; and

WHEREAS, the Library as agreed to provide certain financial statements to demonstrate the need to borrow; and

WHEREAS, the Village has agreed to loan funds to the Library in an amount not to exceed \$4,500,000, but only in accordance with and pursuant to the terms and conditions of this Agreement; and

WHEREAS, the Village has determined that loaning emergency funds to the Library to ensure the Library is able to maintain normal operations in the manner set forth in this Agreement is a proper public purpose as authorized by 65 ILCS 5/8-1.3.1 and will not negatively impact the Village's ability to operate or borrow funds in the future; and

WHEREAS, the Village and the Library desire to enter into this Agreement to set forth the terms and conditions of the line of credit by the Village, the repayment obligations of the Library, and the Parties respective rights, duties, and responsibilities concerning the same;

NOW THEREFORE, the Village and the Library agree as follows:

1. **Recitals:** The recitals as set forth above are incorporated into the body of this Agreement as if fully set forth herein.
2. **Line of Credit Loan:** The Village will loan a sum up to but not to exceed \$4,500,000 through a line of credit to the Library and the Library may submit written requests to the Village for draws from the line of credit until March 31, 2026, for the purpose of bridging the Library's funding gap created by the delayed 2024 second installment property tax disbursement. The Library's written requests to the Village must include materials and information establishing the Library's need for the loan and the Library must provide the Village with information and materials requested by the Village to confirm the appropriateness and need of the Library for the requested amounts. The Village will review and approve or deny the Library's requests. The amount borrowed by the Library from the Village is the "**Loan.**"
3. **Repayment Obligation:** The Library will repay the Loan to the Village in full within 60 days of the Library's actual receipt of the 2024 second installment property tax disbursement from Cook County. If the property tax disbursement is not sufficient to cover the repayment of the Loan, the Library agrees that it shall make payments from its Library Operating Fund.
4. **Interest; Late Payment Penalty:** If the Library does not repay the Loan in full by June 30, 2026, the remaining unpaid principal balance of the Loan will immediately begin to accrue interest at a rate of 4% per month.
5. **Non-Payment by Library; Performance Security:** If the Library has not repaid the Loan plus any interest that has accrued in full by June 30, 2026, the Library acknowledges and agrees that: (i) it will pay any penalties, fines, costs, and fees of any kind, including, without limitation, costs, fees, legal fees and expenses reasonably incurred by the Village or imposed on the Village by any third party as a consequence of the Library's non-payment or late payment (collectively, "**Costs**"); (ii) the Village may take possession of available funds being held by the Village for the benefit of the Library, including, without limitation, personal property replacement tax funds possessed by the Village for the benefit of the Library pursuant to 30 ILCS 115/12, in an amount sufficient to recoup the unpaid balance of the Loan plus any interest and Costs; (iii) the Village may direct the Library to cause Cook County to pay the Village that portion of the Library's tax levy in an amount sufficient to recoup the unpaid balance of the Loan plus any interest and Costs; and (iv) the Library will not be eligible to borrow funds from the Village in the future.
6. **Waiver.** If the Library fails to repay the Loan by June 30, 2026, the Library agrees to waive all legal objections of any kind to any legal action brought by the Village to compel payment of the amounts owed.

7. **Promissory Note:** Prior to receipt of Village funds, the Library will execute a promissory note in a form acceptable to the Village Attorney to further evidence the Library's obligation to repay the Loan.

8. **Additional Provisions:**

(i) Other Agreements. All other agreements, if any, between the Parties for the provision of funding or other services shall remain in full force and effect to the extent not inconsistent with this Agreement.

(ii) Amendments and Modifications. No amendment or modification to this Agreement will be effective unless and until it is reduced to writing and approved and executed by all Parties to this Agreement in accordance with all applicable statutory procedures.

(iii) Notices. All notices and payments required or permitted to be given under this Agreement must be given by the Parties by (i) personal delivery, (ii) deposit in the United States mail, enclosed in a sealed envelope with first class postage thereon, or (iii) deposit with a nationally recognized overnight delivery service, addressed as stated in this Section. The address of either Party may be changed by written notice to the other Party. Any mailed notice will be deemed to have been given and received within three days after the same has been mailed and any notice given by overnight courier will be deemed to have been given and received within 24 hours after deposit. Notices and communications must be addressed to, and delivered at, the following addresses:

If to the Village: Village of Oak Park
 123 Madison Street
 Oak Park, IL 60302
 Attention: Village Manager

With a copy to: Elrod Friedman LLP
 350 North Clark Street, Second Floor
 Chicago, IL 60654
 Attention: Gregory Smith, Village Attorney

If to the Library: Oak Park Public Library
 834 Lake Street
 Oak Park, IL 60301
 Attention: Library Executive Director

With a copy to: _____

 Attention: _____

(iv) Successors and Assigns. The terms, covenants and conditions of this Agreement will bind and inure to the benefit of the Parties and their respective heirs, executors, administrators, and authorized successors and assigns; provided, however, that neither Party may assign this Agreement except upon the prior written consent of the other Party.

(v) Rights Cumulative. Unless expressly provided to the contrary in this Agreement, each and every one of the rights, remedies and benefits provided by this Agreement will be cumulative and will not be exclusive of any other such rights, remedies and benefits allowed by law.

(vi) Governing Law. This Agreement will be governed by, and enforced in accordance with the internal laws, but not the conflicts of laws rules, of the State of Illinois. This Agreement shall be subject to the jurisdiction of the Circuit Court of Cook County, Illinois.

(vii) Authority to Execute. The Parties hereby warrant and represent to each other that: (i) the persons executing this Agreement on behalf of each Party have been properly authorized to do so by their respective corporate authorities; (ii) each Party has the full and complete right, power and authority to enter into this Agreement and to agree to the terms, provisions and conditions set forth in this Agreement; (iii) that all legal actions needed to authorize the execution, delivery and performance of this Agreement have been taken by each Party; and (iv) that neither the execution of this Agreement nor the performance of the obligations assumed by each Party will (a) result in a breach or default under any other agreement or obligation of each Party or (b) violate any statute, law, restriction, court order or agreement to which each Party may be subject.

IN WITNESS WHEREOF, the Parties have caused this Agreement to be executed and by executing this Agreement, the Parties do hereby affirmatively state that they have been given full authority by their respective governing bodies to execute this Agreement.

VILLAGE OF OAK PARK

OAK PARK PUBLIC LIBRARY

By: _____

By: _____

Its: Village Manager

Its: _____

Date: _____

Date: _____

ATTEST:

ATTEST:

By: Christina M. Waters

By: _____

Its: Village Clerk

Its: _____

Date: _____

Date: _____