

THIRD AMENDMENT TO THE VILLAGE MANAGER EMPLOYMENT AGREEMENT

THIS THIRD AMENDMENT TO THE VILLAGE MANAGER EMPLOYMENT AGREEMENT ("Third Amendment") is dated as of the ___ day of _____, 2025 ("Effective Date") and is by and between the Village of Oak Park, an Illinois home rule municipal corporation, and Kevin J. Jackson (collectively, "Parties").

RECITALS

WHEREAS, the Parties entered into a Village Manager Employment Agreement dated February 23, 2022 and subsequent amendments thereto (collectively, "Agreement"); and

WHEREAS, the Parties seek to further amend the Agreement pursuant to this Third Amendment.

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

1. **RECITALS INCORPORATED.** The above recitals are incorporated herein as though fully set forth.

2. **AMENDMENT TO SECTION 5.1.** Section 5.1 of the Agreement is amended by adding the underlined language and deleting the struck through language as follows:

Section 5. Compensation; Benefits

5.1. Base Salary. Effective March 14, 2024 ~~2023~~, the Village will pay the Employee an annual base salary in the amount of \$261,500 ~~\$231,400~~, payable in installments in accordance with the Village's normal payroll practices ("Base Salary").

3. **AMENDMENTS TO SECTION 8.1.** Section 8.1 of the Agreement is deleted and replaced with the following:

8.1. Take-Home Vehicle. The Village will provide the Employee with a Village-owned vehicle for Village business ("Take-Home Vehicle"). The Take-Home Vehicle will have an electric motor and a U.S. Environmental Protection Agency-estimated minimum range of 300 miles, unless the Parties otherwise agree. The Take-Home Vehicle will be maintained and insured by the Village.

8.1.1 Driver's License. The Employee must maintain and provide the Village with proof of a valid driver's license.

8.1.2 Usage of Take-Home Vehicle. The Employee must use the Take-Home Vehicle in compliance with all laws, regulations, and ordinances, and the Village's Personnel Manual, except that periodic personal use by the Employee is permitted as set forth in this Section 8.1.2. The Employee may take the Take-Home Vehicle home overnight and the Employee may use it for periodic personal use. The Employee must use reasonable care when operating and storing the Take-Home Vehicle and avoid damage and unnecessary wear and tear. Annually, the Employee must report personal use of the Take-Home Vehicle to the Village.

4. **AMENDMENTS TO SECTION 9.2.2.** Section 9.2.2 of the Agreement is amended by adding the underlined language and deleting the struck through language as follows:

9.2.2. Loan for Residence. The Village will upon the written request of the Employee, loan the Employee the amount of \$100,000 (the "Loan"), in accordance with the following terms:

9.2.2.1. Limited Purpose and Availability of the Loan. The Village will provide the Employee with a Loan only upon purchase by the Employee, which for purposes of this section only shall include Employee's spouse, of fee simple title to an Oak Park Residence, in the amount of \$100,000.00. The Village will not provide the Loan to the Employee, and the Employee will not be entitled to the Loan from the Village, in the event that the Employee rents or otherwise resides in an Oak Park Residence without being the owner of fee simple title in the Oak Park Residence.

9.2.2.2. The Promissory Note. The Loan shall be evidenced by a 10-year term promissory installment note (the "Promissory Note") and secured by a mortgage on the Oak Park Residence (the "Mortgage"). The terms and conditions of the Promissory Note and Mortgage shall be reasonably satisfactory to the Employee and the Village Attorney. The Village's Mortgage will be subordinate to any primary financing secured by the Employee, and the Village will at the request of the Employee, execute a subordination agreement if and when required during the Term of this Agreement. Payments on said Promissory Note shall be made by automatic deduction from the Employee's bi-weekly payroll payments in the amount of \$384.62 per payroll period, except that as of the Effective Date of the Third Amendment, the Employee will no longer make payments on the Promissory Note pursuant to this Section 9.2.2.2.

9.2.2.2.1. Modification of Loan. On the Effective Date of the Third Amendment, the Village will forgive the difference between the actual principal balance of the Loan and \$50,000 so that the principal balance of the Loan is \$50,000. On each of March 14, 2025, March 14, 2026, March 14, 2027, March 14, 2028, and March 14, 2029, if the Employee is then employed with the Village, the Village will forgive \$10,000 of the principal balance of the Loan. Each time the

principal balance of the Loan is forgiven, the Village will provide Employee with a lump sum payment equal to the Employee's federal and state income tax liability resulting from forgiveness of the Loan and payment of the lump sum ("Gross-Up Payment"). The Gross-Up Payment will be made at such time as the Parties mutually agree on the amount of the Gross-Up Payment.

9.2.2.2 Modification of Mortgage and Promissory Note.

The Parties agree to prepare and execute amendments to the Mortgage and Promissory Note necessary to incorporate the Loan modifications made in the Third Amendment with terms and conditions reasonably satisfactory to the Employee and the Village Attorney. The Parties will cooperate in recording an amendment to the Mortgage on title to the Oak Park Residence and obtaining any necessary consents to perform the recording.

9.2.2.3. No Interest Due. No interest shall be due or payable on the Promissory Note.

9.2.2.4. Repayment in the Event of Voluntary Departure. If for any reason the Employee voluntarily terminates his employment with the Village, the Employee must repay the entire principal amount of the Promissory Note on the date that is the earlier to occur of: (a) six months after the date on which the Employee voluntarily terminates the Employee's employment with the Village; or (b) the closing of the sale of fee simple title to the Oak Park Residence.

9.2.2.5. Repayment in the Event of an Involuntary Departure. If the Village terminates the Employee's employment with the Village, the Employee shall repay the remaining amount owed to the Village under the Promissory Note on the date that is the earlier to occur of: (a) six months after the date on which the Employee's employment with the Village terminated; or (b) the closing of the sale of fee simple title to the Oak Park Residence.

9.2.2.6. Repayment in the Event of the Death of the Employee. In the event of the death of the Employee, the Employee's estate shall repay the remaining amount owed to the Village under the Promissory Note on the date that is the earlier to occur of: (a) six months after the date of the Employee's death; or (b) the closing of the sale of fee simple title to the Oak Park Residence.

5. **OTHER PROVISIONS TO REMAIN IN EFFECT.** All other terms and conditions of the Agreement remain in full force and effect.

6. **EFFECTIVE DATE.** This Third Amendment is deemed dated and will be effective on the last date of its execution one of the parties as set forth below.

IN WITNESS WHEREOF, the parties hereto have caused this Third Amendment to be signed by their duly authorized representatives on the dates set forth below.

VILLAGE OF OAK PARK

KEVIN J. JACKSON

By: Vicki Scaman
Its: Village President

Date: _____, 2025

Date: _____, 2025

ATTEST

By: Christina M. Waters
Its: Village Clerk

Date: _____, 2025