
**VILLAGE OF SUGAR GROVE
BOARD REPORT**

TO: VILLAGE PRESIDENT & BOARD OF TRUSTEES
FROM: WALTER MAGDZIARZ, COMMUNITY DEVELOPMENT DIRECTOR
SUBJECT: RESOLUTION: AUTHORIZING ECONOMIC DEVELOPMENT AGREEMENT
(GRAHAM'S MARKET)
AGENDA: OCTOBER 4, 2016 REGULAR MEETING
DATE: SEPTEMBER 30, 2016

ISSUE

Shall the Village Board approve an economic development agreement with Graham's C-Store Company.

DISCUSSION

This is the first of two related items requiring Board action; the other being a resolution authorizing a sales tax inducement agreement between the Village and Graham C-Stores.

The Applicant, Graham's C-Stores Company, is presently in the midst of rehabilitating the demised Citgo gas station facility at 36 E. Galena Boulevard. Improvements will include updated outdoor illumination under the pump island canopies, adding more fuel pumps, replacing the underground fuel storage tanks, improving surface drainage, demolition of the kiosk building under the canopy, and renovating the convenience store on the property. The Applicant is seeking financial assistance from the Village with respect to the property improvements, some of which were not known when the property was purchased.

The Village has long desired to see the subject property undergo a facelift of the kind the Applicant is providing. The economic development agreement establishes the expectations and conditions under which the use of any economic development incentives may be applied by the Village. The agreement recognizes the property improvements currently being undertaken by the Applicant are necessary and desirable for the successful operation of the business and provide general community benefit, as well.

Since the redevelopment of the site does not require any zoning approval, there is no Planning Commission recommendation. However, the Architecture Review and Resources Group reviewed the Applicant's building elevations and accepted them.

The economic development agreement is similar to others the Village Board has approved for Ace Hardware and Dunkin Donuts.

COST

There is no cost to the Village in approving the economic development agreement.

RECOMMENDATION

That the Village Board approve Resolution authorizing execution of an economic development agreement with Graham's C-Stores Company, subject to Attorney's review.



Resolution # 2016-1004_

**RESOLUTION OF AUTHORIZATION TO ENTER INTO
ECONOMIC DEVELOPMENT AGREEMENT
WITH GRAHAM'S C-STORES COMPANY**

WHEREAS, the Village is not a home rule municipality within Article VII, Section 6A of the Illinois Constitution; and

WHEREAS, the Village of Sugar Grove desire to enter in an Economic Development Agreement with Graham's C-Stores Company; and

WHEREAS, it is in the Village's best interest to enter into the Economic Development Agreement; and

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees that the Village Board hereby authorizes acceptance and execution of Economic Development Agreement with Graham's C-Stores Company, attached hereto as **Exhibit A** and made a part hereof by this reference, and that the Village President and Village Clerk are hereby directed to execute said document on behalf of the Village.

Passed by the President and Board of Trustees of the Village of Sugar Grove, Kane County, Illinois, at a regular meeting thereof held on the 4th day of October, 2016.

P. Sean Michels,
President of the Board of Trustees of the
Village of Sugar Grove, Kane County, Illinois

ATTEST: _____
Cynthia Galbreath,
Village Clerk

	Aye	Nay	Absent	Abstain
Trustee Kevin M. Geary	_____	_____	_____	_____
Trustee Sean Herron	_____	_____	_____	_____
Trustee Mari Johnson	_____	_____	_____	_____
Trustee Ted Koch	_____	_____	_____	_____
Trustee Rick Montalto	_____	_____	_____	_____
Trustee David Paluch	_____	_____	_____	_____

EXHIBIT A

ECONOMIC DEVELOPMENT AGREEMENT

This Economic Development Agreement (this "Agreement") is entered into this ___ day of October, 2016, by and between the VILLAGE OF SUGAR GROVE, an Illinois Municipal Corporation (the "Village") and GRAHAM C-STORES COMPANY, an Illinois Limited Liability Company ("Graham").

WITNESSETH:

WHEREAS, the Village of Sugar Grove is an Illinois Municipal Corporation existing under and by virtue of the Constitution and laws of the State of Illinois, including but not limited to the Illinois Municipal Code; and

WHEREAS, § 8-1-2.5 of the Illinois Municipal Code (65 ILCS 5/8-1-2.5) (the "Code") authorizes the corporate authorities of a municipality to expend funds to make grants to private commercial enterprises relating to economic development; and

WHEREAS, Illinois law has also long recognized that expenditures of municipal funds for economic development is within the powers of municipalities for the public welfare; and

WHEREAS, Graham desires to open an Graham's Market convenience store and fuel station located at 36 E. Galena Boulevard in Sugar Grove, Illinois (the "Project"); and

WHEREAS, Graham has found it necessary and desirable to renovate, rehabilitate and otherwise redevelop the existing improvements on the subject property to improve the operational characteristics of the property to suit their business needs, and to provide a more safe and appealing environment for visitors and customers; and

WHEREAS, the renovation and rehabilitation efforts being undertaken by Graham will improve the appearance of a high visibility property in the Village; and

WHEREAS, the operation and construction of the Project will create job opportunities and economic development within the Village; and

WHEREAS, without this Agreement, the Project would not be possible; and

WHEREAS, it is in the best interest of the Village to enter into this Agreement.

SECTION 1. Incorporation.

The Preambles to this Agreement are hereby declared to be the findings of the parties and that said Preambles and all exhibits referred to in the Preambles and this Agreement are incorporated herein as if fully set forth in this Section 1.

SECTION 2. Conditions Precedent to the Undertaking on the part of the Village.

All undertaking on the part of the Village pursuant to this Agreement are subject to the satisfaction of the following conditions by Graham:

- A. Graham shall construct the Project located at the address in the preamble and shall have obtained from the Village its final certificate of occupancy for the Project on or before November 30, 2016.
- B. Graham shall remodel the exterior of the convenience store building according to the plans thereof submitted and approved by the Village Architectural Resources and Review Group, attached hereto in Exhibit A and made a part hereof by this reference.
- C. In addition to the renovation of the existing convenience store building on the premises, Graham shall cause the rehabilitation of the existing fuel pump islands, including pumps and canopies, parking and drainage, and improve the outdoor illumination on the site, and all appurtenances thereto, illustrated on the Site Plan attached hereto as Exhibit B and made a part hereof by this reference, all in accordance with all applicable zoning ordinances and regulations, and all building and fire code regulations.

SECTION 3. Undertaking on the Part of the Village upon satisfaction by Graham of all the Conditions herein stated.

- A. The Village shall enter into a Sales Tax Inducement Agreement with Graham to pay to Graham not more than \$200,000.00 from retail sales tax collected from users on the subject property.

SECTION 4. Representations and Warranties of Graham.

- A. Graham hereby represents and warrants that but for economic assistance from the Village the project as contemplated would not be undertaken within the Village.
- B. Graham hereby represents and warrants that at all times it shall comply with all applicable zoning ordinances and regulations, and all building and fire code regulations, and all other applicable Village ordinances, resolutions, codes and regulations.

SECTION 5. Governing Law.

This Agreement shall be governed by and construed in accordance with the laws of the State of Illinois and the forum of any dispute shall be in Kane County, Illinois.

SECTION 6. Amendment.

This Agreement may be amended only by the mutual consent of the parties, or their successors and assigns, by a written instrument specifically referencing this Agreement.

SECTION 7. Notices.

All notices, elections and other communications between the parties shall be in writing and shall be mailed by certified mail, return receipt requested, postage prepaid, or delivered personally, to the parties at the following addresses, or at such other addresses as the parties may, by notice, designate:

For the Village:

Village of Sugar Grove
10 S. Municipal Drive
Sugar Grove, Illinois 60554
Attention: Village Administrator and Village Clerk

With a copy to:

Mickey, Wilson, Weiler, Renzi & Andersson, P.C.
2111 Plum Street, Suite 201
Aurora, Illinois, 60506
Attention: Steven A. Andersson.

For the Developer:

Mike Graham
Graham's C-Stores Company
33978 N. US Highway 45
Gages Lake, IL 60030

With a copy to:

Thomas R. Raines
Attorney at Law, LLC
20 N. Wacker Drive
Suite 556
Chicago, IL 60606

Notices shall be deemed received on the fourth business day following deposit in the U.S. Mail, if given by certified mail as aforesaid, and upon receipt or refusal, if personally delivered.

SECTION 8. Effective Date.

This Agreement shall be effective on the date set forth above.

SECTION 9. Mutual Assistance and Consents.

The parties agree to do all things necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms of this Agreement, including, without limitation, the enactment by the Village of such ordinances and resolutions and the taking of such other actions as may be necessary to enable the parties' compliance with the terms and provisions of this Agreement. In the event that any party to this Agreement is required to grant its consent or approval to the other party to this Agreement in connection with any of the terms and provision of this Agreement, such consent or approval shall not be unreasonably withheld.

SECTION 10. Severability.

If any provision, covenant or portion of this Agreement is held invalid, such invalidity shall not affect the application or validity of any other provisions, covenants or portions of this Agreement.

SECTION 11. Entire Agreement.

This Agreement supersedes all prior agreements, negotiations and exhibits and is a full integration of the entire agreement of the parties.

SECTION 12. Successors and Assigns.

This Agreement may be assigned by either party hereto and shall be binding upon and inure to the benefit of the parties hereto and their respective successors and assigns.

IN WITNESS WHEREOF, the Parties have executed this Agreement on the date and year first above written, and by so executing this Agreement, they mutually represent and warrant to one another that they have full power and authority to enter into this Agreement.

VILLAGE OF SUGAR GROVE,
A municipal corporation

ATTEST:

By: _____
Village Clerk

By: _____
Village President

GRAHAM'S C-STORE COMPANY

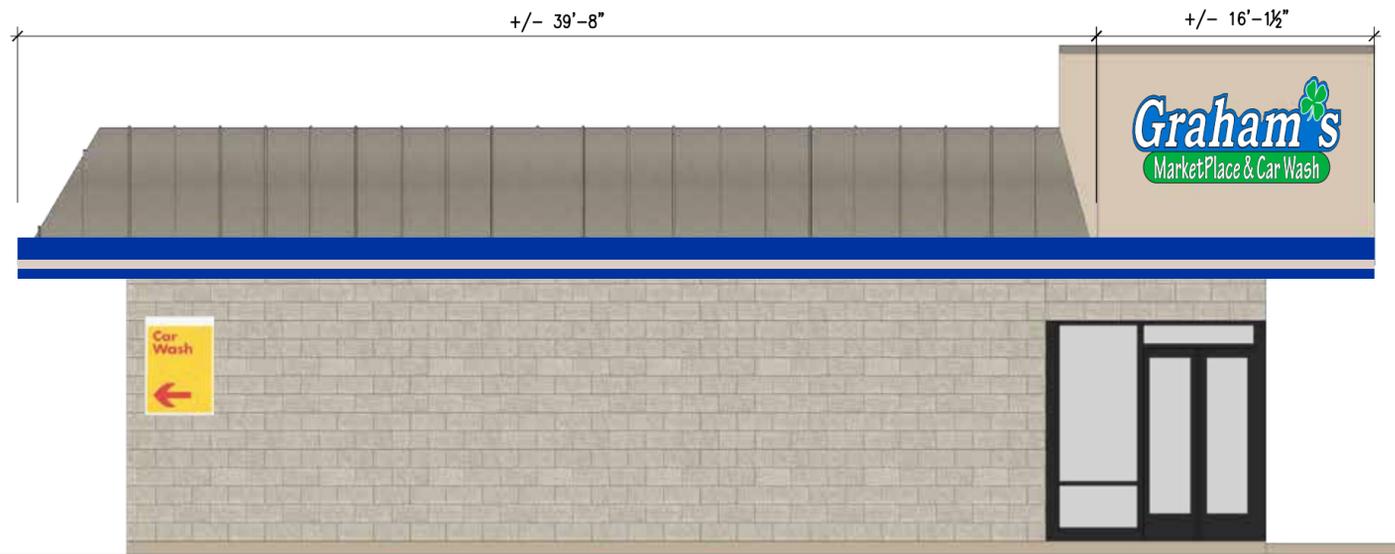
ATTEST:

By: _____

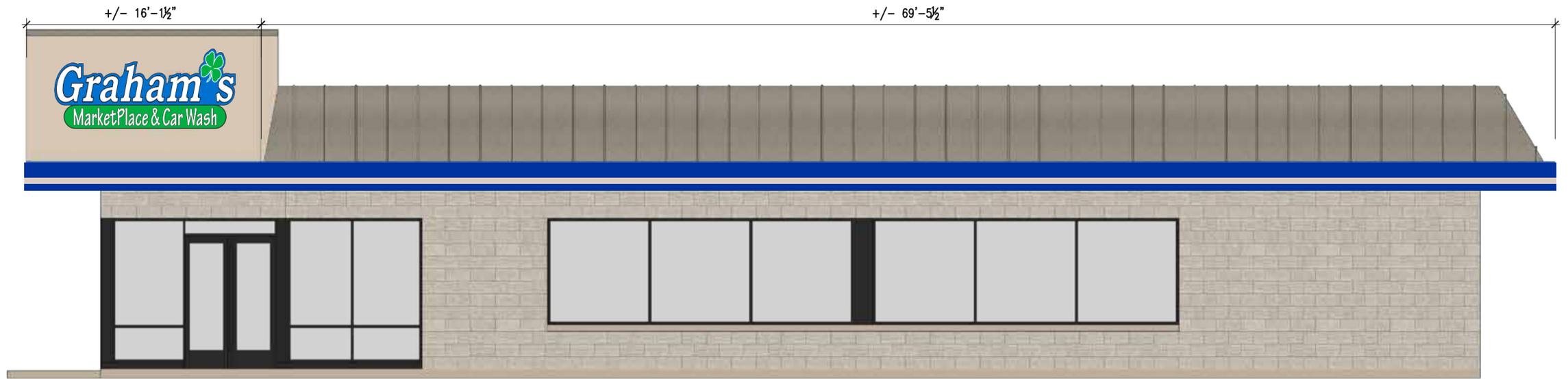
By: _____
President

Exhibit A

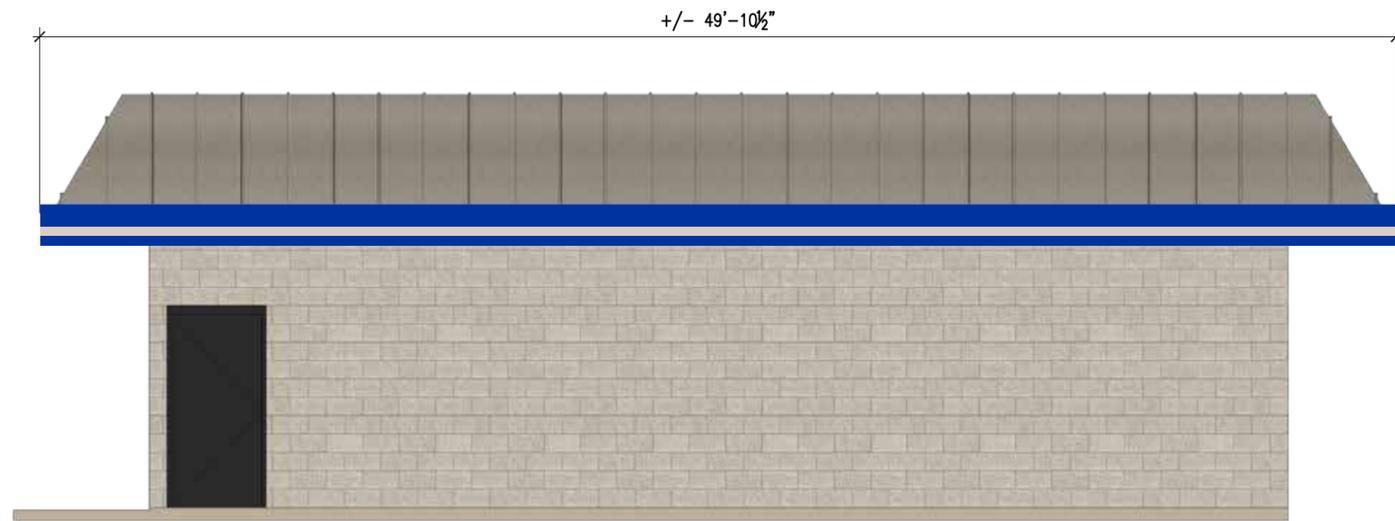
(Building Elevations)



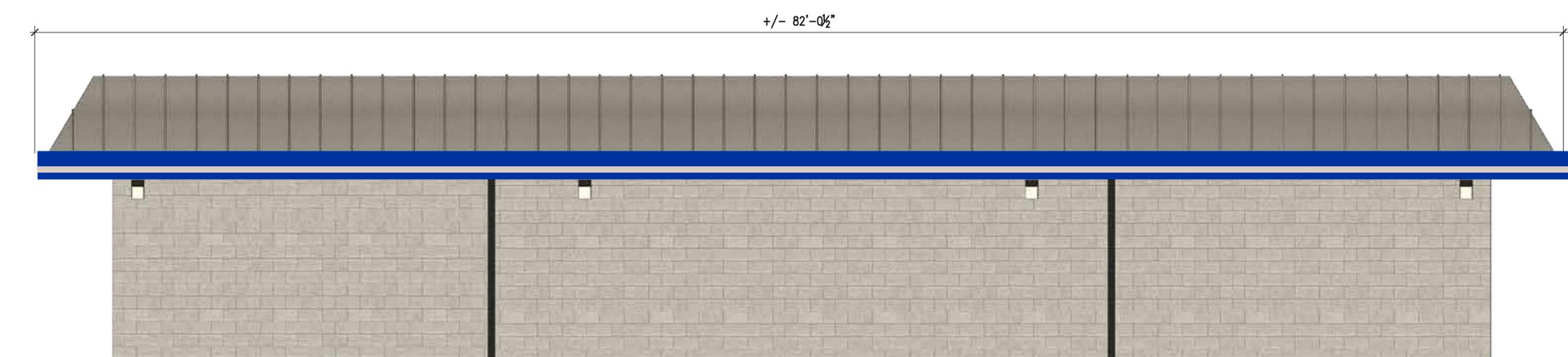
1 EXTERIOR ELEVATION WEST (SIDE)
1/16" = 1'-0"



2 EXTERIOR ELEVATION - SOUTH
1/16" = 1'-0"



3 EXTERIOR ELEVATION - EAST
1/16" = 1'-0"



4 EXTERIOR ELEVATION - NORTH
1/16" = 1'-0"



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Sugar Grove Renderings

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