

July 31, 2019

Village President Jacob C. Vandenberg

> Village Clerk Kristin A. Thirion

Village Trustees

Cynthia A. Berg William P. Brady William A. Brennan Diane M. Galante Michael W. Glotz Michael G. Mueller

Village Hall

16250 S. Oak Park Ave. Tinley Park, IL 604**77**

Administration

(708) 444-50**00** Fax: (708) 444-50**99**

Community Development

(708) 444-51**00** Fax: (708) 444-51**99**

Public Works

(708) 444-5500

Police Department

7850 **W**. 183rd St. Tinley Park, IL 60477 Non-Emergency (708) 444-5300 Fax: (708) 444-5399

John T. Dunn Public Safety Building

17355 S. 68th Court Tinley Park, IL 60477

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EMA

(708) 444-5600 Fax: (708) 444-5699

Senior Community Center

(708) 444-5150



Rick Heidner
President
Melody Square/Heidner Racing
5277 Trillium Blvd.
Hoffman Estates, IL 60192

Re: Acquisition and Redevelopment of the Tinley Park Mental Health Center and Howe Developmental Center ("the Property")

Dear Mr. Heidner,

This Letter of Intent ("Letter") follows nearly eight months of good faith negotiations between the Village of Tinley Park ("the Village") and Heidner Properties ("The Developer") regarding the acquisition and redevelopment of the Property and the manner of proceeding to agree upon a final Redevelopment Agreement ("RDA") between the Parties. The non-binding terms contained below are intended to memorialize our good faith negotiations to date and serve as the basis for future good faith negotiations and the preparation of a final, definitive RDA.

1. RDA Negotiation

The Parties agree to negotiate the terms of a final, definitive RDA to govern the orderly development of the property to its best and highest uses in good faith, and to use reasonable efforts to mutually execute and deliver the RDA. At a minimum the RDA will govern the purchase and sale of the Property in phases or not from the Village to the Developer, allowable and prohibited uses on the Property, and the request for and administration of any TIF or other Public funds. Neither party shall refuse to negotiate or withhold material information necessary for the other party to make an informed decision about the subject matter of the transaction or require change in the terms previously agreed upon as the basis of this Letter.

2. Village Acquisition of State Controlled Surplus Property

The Parties acknowledge that the property is currently owned by the State of Illinois which has classified it as surplus property. The Village and the State are engaged in ongoing good faith negotiations to acquire the Property. The Village will continue the good faith negotiations with the State and will work diligently to acquire the Property and subsequently transfer the Property to the Developer in accordance with the terms to be negotiated in the RDA.

3. Application for Organizational Racing/Gaming License

Developer agrees to timely make the application for any racing or gaming license or permit in a timely fashion in accordance with PA 101-0031 (signed into law on June 28, 2019) to own, operate, or manage any racetrack/casino ("the Licenses")

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on the Property or any other property within the Village of Tinley Park or to be annexed by the Village of Tinley Park. Developer shall be responsible for the payment of any and all fees associated with the application process. Developer shall not apply for any of the above-mentioned licenses for locations outside of Tinley Park or properties that can be legally annexed by Tinley Park. The Village shall fully cooperate and provide any and all documentation deemed necessary for the application process. The Developer shall continuously and diligently pursue approval of the Licenses until it is obtained or refused, shall regularly advise the other party of the status of the application/licensing process, and shall use the most efficacious and expedient procedures to obtain the Licenses. In the event any of the required Licenses are not obtained, Developer agrees to continue the good faith negotiation of the RDA and ultimate acquisition of the Property with a revised plan to be approved by the Village.

4. Zoning

The Village is currently in the process of adding a definition for a Racino Entertainment District Use based on its understanding of similar uses across the country and representations made by the Developer in certain areas of the Village it deems appropriate for such uses. The Village certifies that the Property is one such location it deems appropriate for such use. Developer shall abide by all applicable zoning regulations deemed applicable by the Village.

5. Expenses

The Parties recognize that proceeding forward with good faith negotiations to complete the RDA and ultimate acquisition will result in the expenditure of significant public and private funds. At all times each party hereto shall bear its own expenses incurred in connection with the transfer of this property and potential future uses of this property; however the Developer shall be entitled to seek reimbursement for any TIF eligible costs it expends prior to the execution of the RDA subject to the reimbursement procedure agreed to and established by the RDA.

6. Access to Property

The Parties acknowledge that the Village via agreement with the State of Illinois has certain limited access and license rights to the Property. Developer shall submit any request for access to the property to conduct due diligence at least seventy-two (72) hours prior to the requested access date. The request shall set forth the specific need for access and list the names of all persons intending to enter the property. The Developer shall cause all persons accessing the property to execute liability waivers as to the State of Illinois and the Village of Tinley Park.

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7. Public Announcements.

It is expected that this transaction will generate both public and media interest. The Parties agree to prepare a joint public/media statement to be released on the execution date of this agreement. The foregoing shall not restrict in any respect your or our ability to communicate information concerning this Letter of Intent and the transactions contemplated hereby to your and our, and your and our respective elected officials, officers, employees and professional advisers, and, the public at large.

8. Broker's Fees.

The parties have represented to each other that no brokers or finders have been employed who would be entitled to a fee by reason of the transaction contemplated by this Letter of Intent.

9. Miscellaneous.

This letter shall be governed by the substantive laws of the State of Illinois. This letter, together with the entire understanding and agreement between the parties hereto at this point in time. No promise, inducement, representation or agreement, other than as expressly set forth herein, has been made to or by the parties hereto. This letter may be amended only by written agreement, signed by the parties to be bound by the amendment. Evidence shall be inadmissible to show agreement by and between such parties to any term or condition contrary to or in addition to the terms and conditions contained in this letter. This letter shall be construed according to its fair meaning and not strictly for or against either party.

10. No Binding Obligation.

This LOI does not constitute or create, and shall not be deemed to constitute or create, any legally binding or enforceable obligation on the part of either party to this Letter of Intent. No such obligation shall be created, except by the execution and delivery of the RDA containing such terms and conditions of the proposed transactions as shall be agreed upon by the parties, and then only in accordance with the terms and conditions of said RDA and any other agreements necessary to transfer ownership of the Property.

If the foregoing is satisfactory, please approve by having a copy of this letter duly signed where indicated below and returned to me on or before the expiration date, July 30, 2019. This letter may be signed in counterparts and delivered by email transmissions or telecopy facsimile transmissions, all of which shall be deemed an original and one and the same letter.

[Signature page to follow]



Sincerely,

Village President Jacob C. Vandenberg

Village Clerk

Kristin A. Thirion

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The Village of Tinley Park, through its Village Manager

David Niemeyer Village Manager

ACCEPTED AND AGREED:

Heidner Properties through its President

Rich Heidner President Melody Square LLC/Heidner Racing