

## **Resolution 2013-09**

### *Supporting an Economic Incentive for the Establishment of Underground Retrocade in the Village of West Dundee*

WHEREAS, expanding the entertainment uses in the downtown is an expressed goal of the Village of West Dundee, Kane County, Illinois.

WHEREAS, a retro style arcade is compatible with historic district and a traditional downtown atmosphere. Entertainment uses, restaurants, shops and pubs all support one another and contribute to the area as a destination.

WHEREAS, the Village is a home rule community and may therefore exercise any power and perform any function relating to its government and affairs; and

WHEREAS, pursuant to said home rule powers, the Village has established incentive program to encourage the establishment of additional businesses in the downtown area of the Village, which would further enhance the tax base of the Village and provide additional services to the Village and surrounding residents; and

WHEREAS, as part of the implementation of a business incentives program, the Village recognizes that the careful review of development and licensing fees is a component of economic development incentives;

WHEREAS, Underground Retrocade is pursuing a leasehold interest at 121 W. Main to establish a retro arcade with approximately 100 vintage video machines, pinball games, console gaming area, party space and concession.

WHEREAS, the Village was petitioned by Underground Retrocade to consider an equitable assessment of licensing fees to assist in the establishment and the retention of the business;

WHEREAS, the Village finds that the Underground Retrocade is a unique and notable business with a good reputation and a loyal customer following deserving of support;

WHEREAS The Village further finds that Underground Retrocade's business model is a "play all day" model with a "set fee" structure which is different then other establishments that presently holding automatic device machine licenses in West Dundee.

WHEREAS negotiations have taken place between Underground Retrocade and the Village and an accord has been reached.

NOW, THEREFORE, BE IT RESOLVED by the President and Board of Trustees that the Village supports the development of new businesses in the downtown area and commits to Underground Retrocade that the Village will do the following in furtherance of the development:

1. The Village shall collect a set fee in lieu of collecting a unit specific mechanical amusement device license fee.
2. Such fee shall be based on best month projection as supported by the past performance of the business at its former location.
3. The fee shall be \$4800 annually paid on a quarterly basis collected. The first \$1200 payment shall be paid exactly three months after the issuance of the Certificate of Occupancy. Future payments of \$1200 shall be submitted each three month for the duration of the term of the agreement.
4. On the condition that there is no default on the part of Underground Retrocade, the Village agrees to collect this alternative fee for a five year period which will be the full term of the agreement.
5. The Village agrees to not impose any additional fees for mechanical amusement devices that would be applicable to Underground Retrocade for the duration of the term of the agreement.

This economic incentive is hereby contingent upon the following agreement by Underground Retrocade:

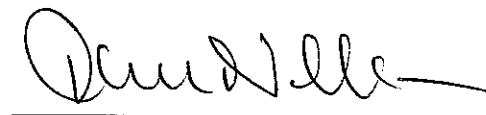
1. To use its best efforts to complete improvements and to enter into a leasehold interest for the establishment of occupancy at 121 W. Mair Street. All work done by Underground Retrocade shall be in accordance with all Village codes and ordinances.
2. Operate the facility at 121 West Main Street as an entertainment venue arcade to accommodate a minimum of 100 machines, pinball and console game areas, party room and concession.
3. Enter into a contractual agreement with the Village guaranteeing the performance of mutual obligations.

DATED this 9<sup>th</sup> day of September, 2013.

ATTEST:

  
Clerk Barbara Traver

APPROVED:

  
President Christopher Nelson