

## **Resolution 2012 - 13**

### **A Resolution Expressing Continued Support for a Public-Private Partnership between the Village of West Dundee and Fox Performing Arts Center**

WHEREAS, the Village of West Dundee acquired property at 118 S. First Street, commonly known as the Ace Hardware building, in May of 2010; and

WHEREAS, the Village has been evaluating finding a reuse of the existing structure versus demolition of the structure to create additional temporary parking; and

WHEREAS, a concept has been presented by Fox Performing Arts Center to provide a 258 seat performing arts venue to rent to various dance, theater, film and arts organizations as well as school districts and park districts within the immediate area; and

WHEREAS, the Village of West Dundee believes that the concept of a performing arts theater will assist in the revitalization of the downtown, as well as provide ancillary benefits to our existing restaurants and businesses by bringing more people into the downtown area; and

WHEREAS, the Village's Comprehensive Plan for the downtown sub-area seeks to maintain and improve existing buildings, maintain the character of the area and increase activity and new development; and

WHEREAS, a formal proposal has been made by the Fox Performing Arts Center to establish and develop a public-private partnership with the Village as a long term user of the building in order to provide a reuse and revitalization of the existing structure; and

WHEREAS, the Fox Performing Arts Center has proposed a budget concept of investing approximately \$1.8-million into the structure over a period of time in an effort to create a performing arts venue for the Northern Fox Valley area;

WHEREAS, the West Dundee Village Board adopted Resolution 2012-05 on March 19, 2012, initially supporting the public-private partnership between the Village of West Dundee and the Fox Performing Arts Center, which established a deadline of July 30, 2012 for a fundraising goal of \$500,000; and

WHEREAS, the Fox Performing Arts Center made their presentation on August 20, 2012 representing fundraising efforts to date of \$212,000 and indicating that the concept was gaining momentum and garnering community support; and

WHEREAS, the Village of West Dundee acknowledges the increased support of the community for this proposal and the Village Board is willing to extend the deadline for fundraising; and

WHEREAS, the Fox Performing Arts Center has indicated that Phase 2 of their fundraising efforts will focus on regional and corporate sponsorships and long term giving programs; and

WHEREAS, upon the conclusion of the August 2012 presentation by the Fox Performing Arts Center, the Village Board is desirous in extending the time for fundraising for the Fox Performing Arts group to achieve a \$1-million goal by August 2013 and a \$1.8-million goal by August 2014; and

WHEREAS, through this Resolution, the Village Board articulates and lays out what the Village of West Dundee's financial and partnership limits for this project will be; and

NOW THEREFORE BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES, VILLAGE OF WEST DUNDEE, KANE COUNTY, ILLINOIS, that after continued discussion and several presentations over the past 18 months regarding the concept, the Village of West Dundee will continue to pursue and support a public-private partnership for the Fox Performing Arts Center use within downtown West Dundee under the conditions, financial parameters and deadlines as outlined in the attached Exhibit A.


PASSED by the Board of Trustees of the Village of West Dundee, Kane County, Illinois, and approved by the President of said Village this 15<sup>th</sup> day of October, 2012.

AYES: Trustees Voss, Gillam, Price, Osth, and Yuscka

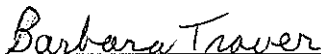
NAYS: Trustee Hanley

ABSENT:

Larry A. Keller

  
\_\_\_\_\_  
Village President

ATTEST:  
Barbara Traver

  
\_\_\_\_\_  
Village Clerk

## EXHIBIT A

### **A Resolution Expressing Continued Support a Public-Private Partnership between the Village of West Dundee and Fox Performing Arts Center**

1. The Village represents that the dollar amounts, dates and timelines as included below are not arbitrary or capricious. This, and the clauses numbered below shall be the Village of West Dundee's basis and current agreed upon position for any development contract or lease agreement that may follow.
2. The Fox Performing Arts Center Board of Directors shall be created by December 2012. A list of members shall be provided to Village during this same month.
3. An organizational chart indicating Board of Directors, paid or unpaid, part- or full-time staff and committee structure be prepared and submitted to the Village staff by December 2012.
4. A report on the fundraising efforts and progress of the organization shall be completed and submitted to Village January 2013 and June 2013, and a presentation on this progress will be made to the Village Board at the second Board meeting during the same months. The presentation should include a report from an independent auditing service hired by the Fox Performing Arts Center and specifics on how the pledges are being accounted for and validated.
5. The Fox Performing Arts Center shall submit to the Federal Government for their 501(c)(3) status by December 2012 and provide to the Village evidence of that submittal.
6. By December 2012, letters of potential parties who are willing and expressing general interest to participate and utilize the facility shall be provided to the Village. We understand that these are not commitments to utilize the facility, but will provide an understanding of the number of parties that are willing to evaluate and consider bringing events to this facility to fill the annual schedule.
7. A general outline of an annual 12-month schedule for representative purposes, consisting of both performances and other uses, be presented to the Village, illustrating what programming could look like for the center, by the second Board meeting of January 2013.
8. The Village represents that no annual operating subsidy for the operations of the Fox Performing Arts Center will be requested of or considered by the Village of West Dundee. The Village Board represents that the Fox Performing Arts Center's finances and operations need to be self-sustaining.
9. The Village will provide the Fox Performing Arts Center an option to purchase the property for \$372,875 (principle amount plus paid interest) as a proviso of the development or lease agreement. This purchase price is in addition to the \$350,000 due for the Z Investment obligation upon redevelopment.

10. The \$350,000 redevelopment fee due and payable to Z Investments would be paid by the Fox Performing Arts Center directly to the Village of West Dundee upon initiation of the redevelopment project. The Village of West Dundee will pay Z Investments directly to ensure clear title and to fulfill the terms of the contract purchase agreement.
11. The Village will consider an initial 10-year lease for the use of the property with two 5-year extensions available, as a condition of the development or lease agreement.
12. A lease payment amount will be agreed upon and included within the development or lease agreement. These lease payments will be a direct credit toward the purchase price of the property of \$372,875.
13. The Fox Performing Arts Center will pay all utilities, taxes and maintenance, liability and property insurance for the building and property for the term of the agreed upon lease for the property and upon execution of a lease agreement for the property.
14. The Village will contribute \$150,000 toward build-out and improvements. This financial commitment is subject to a successful capital fundraising campaign. The Village warrants and represents that the \$150,000 commitment will be provided to the Fox Performing Arts Center on a mutually agreeable basis and that its distribution will be tied to a pro-rata formula of the completion of the capital improvements to the building and property.
15. The Village will permit usage for special events for the Fox Performing Arts Center at the 118 S. First Street location to facilitate and assist in their fundraising activities. It is acknowledged and understood that the building is not code compliant and general access for the public cannot be provided. Activities could include utilization of the outdoor area of the property, sidewalk and utilization of the window area. Each application will be processed as a special event and will be reviewed on a case by case basis to determine compliance with Village ordinances.
16. Maintenance obligations for the existing property, until August of 2014, will remain with the Village of West Dundee unless an alternate lease or purchase agreement is entered into prior to this date. The Village of West Dundee does not warrant the condition of the building or property, or the equipment within. The Village of West Dundee agrees to maintain the existing property in its current condition until August 2014 or just prior to any initiation of construction, whichever comes first. No extraordinary or heroic means or methods will be used to overcome and put right any damage caused by either natural or unnatural acts or events. The Village of West Dundee will provide liability, fire and property insurance for this property, as it does for all of its properties, until Fox Performing Arts Center assumes ownership responsibility under a redevelopment or lease contract.
17. The Village of West Dundee and Fox Performing Arts Center Board of Directors will work toward the finalization of a development/lease agreement for the property spelling out in greater detail the terms and conditions included in this outline, as well as any other parameters, by February 2013.

18. It is understood that the funding goal of Fox Performing Arts Center is to raise \$1 million by August 2013 and will reevaluate the financial feasibility of the project on that date. It is understood that the total funding goal of the Fox Performing Arts Center is \$1.8 million by August 2014.
19. The Village of West Dundee will waive building permit fees except those out of pocket costs generated by the project requiring outsourced plan review and inspections, including any and all engineering costs.
20. The Village of West Dundee will consider the imposition of a \$1.00 surcharge per admission for ticketed events at this location, to be finalized in any lease or development agreement, that may include a sharing provision with the Fox Performing Arts Center.