

**Memorandum of Understanding  
between the Park District of Oak Park  
and the Oak Park Township**

This Memorandum of Understanding is between the Park District of Oak Park (the “*Park District*”) and the Oak Park Township (the “*Township*”).

Section 1. Purpose. The purpose of this Memorandum is to establish preliminary agreement on the key elements of an intergovernmental lease agreement between the Park District and the Township regarding the Park District’s intention to construct a community recreation center (the “*Proposed Recreation Center*”) and the Township’s intention to contribute funds for the Proposed Recreation Center and have the Township become a tenant in the completed Recreation Center.

Section 2. Park District Recreation Center Project.

A. Fundraising; Timing. The Park District has commenced and will continue fundraising for the Proposed Recreation Center. If sufficient funds are raised and construction of the Proposed Recreation Center is otherwise feasible, then the Park District will construct the Proposed Recreation Center (the “*Project*”). The Park District anticipates that sufficient funds for the Project will be secured by June 2020 (the “*Funding Period*”). The Park District anticipates that pre-construction activities will be undertaken, and that bidding of the Project for construction will commencement, by [March 2021] (the “*Pre-Construction Period*”).

B. Communications. The Park District will maintain periodic communications with the Township regarding the status of the Project and the Township may request a status report from the Park District at any time.

C. Feasibility. The Park District may determine at any time that the Project is not feasible and thus has been abandoned. The Park District will advise the Township promptly if the Park District abandons the Project. In event that the Park District abandons the Project, all funds provided by the Township for the Project will be returned to the Township.

Section 3. Township Pledge; Lease Agreement.

A. Pledge. The Township has pledged funds for construction of the Proposed Recreation Center, and for the Township’s tenancy in the completed Recreation Center, in amount of \$500,000.00 (the “*Pledge*”), and in exchange for the Pledge the Park District has agreed to lease space in the completed Recreation Center to the Township for 35 years for the purposes of engaging and delivering services (the “*35-Year Lease Agreement*”). The parties anticipate the Township will make four payments totaling \$500,000 (\$125,000 in 2020 and \$125,000 in January of 2021, 2022, and 2023) into an escrow account satisfactory to the parties after the parties have reached agreement on the terms of the 35-Year Lease Agreement. The Pledge will be applied by the Park District exclusively to (i) the cost of construction

the Proposed Recreation Center and (ii) rent for the Township's tenancy in the completed Recreation Center under the 35-Year Lease Agreement.

B. Lease Agreement. The Park District and the Township will commence promptly the drafting of the 35-Year Lease Agreement. The lease agreement will include a proposed floor plan for the completed Recreation Center, the anticipated use by the Township of two offices approximately 500 square feet of space and a shared small conference room with the Community Mental Health Board as well as shared use of other meeting rooms and a break room. In addition, the Park District and the Township will draft an intergovernmental agreement finalizing the terms of agreement outlined in this Memorandum of Understanding.

The Township will have their Youth Interventionist Program staff interacting with youth in the Community Recreation Center, specifically between 3-6pm Monday through Friday during the school year and their Senior Services staff engaging residents throughout the day.

Additionally, the Township may use other Community Recreation Centers space for various community programs, pending facility availability.

Clientele of the Township will have access to the Community Recreation Center at the same fee schedule as other Oak Park residents.

Section 4. Township Withdrawal. The Township may withdraw the Pledge (a) if there is a material change to the Township's financial condition that causes the Pledge to be infeasible in the reasonable determination of Oak Park Township's Board of Trustees, or (b) if sufficient funds have not been secured by the Park District by the end of the Funding Period or a reasonable period of additional time agreed to by the parties, or (c) if the Township and the Park District do not agree on the terms of the 35-Year Lease Agreement after diligent negotiations. The Township will not otherwise withdraw from the Project except only if the Pledge otherwise is infeasible due to an act of God or other event outside the ability of the Township to control.

WHEREFORE, the Park District and the Township each has caused this Memorandum to be signed by its properly authorized representatives as of February \_\_\_\_ . 2020

Park District of Oak Park

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Sandy Lentz, Board President

Oak Park Township

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Clarmarie Keenan, Township Supervisor