

49-0-96  
ORDINANCE AUTHORIZING THE ACCEPTANCE  
OF REVENUE PURSUANT TO THE  
ROSEMONT-WEST CENTRAL MUNICIPAL CONFERENCE AGREEMENT

WHEREAS, the Village of Rosemont seeks approval for one or more casinos from the State of Illinois; and

WHEREAS, it is in the best interest of the Village/City/Town of Evanston to support the Village of Rosemont in seeking to obtain state approval for one or more casinos to be located within the Village of Rosemont; and

WHEREAS, upon obtaining state licensing certain revenue will be generated through various taxes upon the casinos to be located in the Village of Rosemont; and

WHEREAS, the Village of Rosemont has determined that it is appropriate to share a portion of the tax revenue it will receive from the various gaming taxes on the gaming facilities to be located within its borders with certain other cities, villages and towns in suburban Cook County; and

WHEREAS, the Village of Rosemont and the West Central Municipal Conference have reached an Agreement Concerning Distribution of Revenue Allocated to the Rosemont Gaming Tax Revenue Sharing Program (the "Rosemont-West Central Agreement"); and

WHEREAS, the Rosemont-West Central Agreement provides a mechanism, through the various municipal conferences, to distribute the revenue being shared by the Village of Rosemont to the cities, villages and towns in suburban Cook County which have elected to participate and which meet the eligibility requirements; and

WHEREAS, the ~~Village/City/Town~~ of Evanston is in agreement that it should accept and participate in the distribution of portions of said gaming tax revenue allocated to it pursuant to the terms and conditions of the Rosemont-West Central Agreement; and

WHEREAS, the amount distributed pursuant to the Rosemont-West Central Agreement is not fixed, but will be calculated by the West Central Municipal Conference.

NOW THEREFORE, be it ordained by the [City Council of the City of Evanston the ~~President and Board of Trustees of the Village of \_\_\_\_\_ /the Trustees of the Town of \_\_\_\_\_~~] as follows:

1. The ~~Village/City/Town~~ of Evanston agrees to accept distribution of a share of the gaming tax revenue from the West Central Municipal Conference, the Northwest Municipal Conference or the South Suburban Mayors and Managers Association (collectively along with the Village of Rosemont, the "Municipal Conferences") pursuant to the Agreement Concerning Distribution of Revenue Allocated to the Rosemont Gaming Tax Revenue Sharing Program (the "Rosemont-West Central Agreement") and Acceptance of Revenue Agreement.

2. In return for the right to share in the aforesaid tax revenue, the ~~President/Mayor~~ <sup>City Manager</sup> and Clerk of the ~~Village/City/Town~~ and the Clerk of the ~~Village/City/Town~~ be and are authorized and directed to sign the Acceptance of Revenue Agreement which is attached hereto and incorporated herein as Exhibit A.

3. The ~~Village/City/Town~~ of Evanston shall abide by the terms, conditions and requirements of both the Rosemont-West Central Agreement and the Acceptance of Revenue Agreement.

4. This Ordinance is effective as of the date of its passage.

*Lorraine H. Morton*  
Mayor/~~President~~

ATTEST:

*Kristen Davis*  
Village Clerk  
City

Passed: *April 22/1996*

*Ellen Symanski*  
Asst. Corp. Counsel

## ACCEPTANCE OF REVENUE AGREEMENT

THIS AGREEMENT is entered into by and between the West Central Municipal Conference ("West Central") and the Village/City/Town of Evanston (<sup>City</sup>~~Village~~).<sup>1</sup> This Agreement has been duly executed and adopted pursuant to the requirements of the parties' respective corporate authorities. In consideration of receiving a share of said gaming tax revenue, the West Central Municipal Conference's administration of the distribution of gaming tax revenue, the assistance of the South Suburban Mayors and Managers Association and the Northwest Municipal Conference in the administration and other good and valuable consideration, the adequacy and receipt of which are acknowledged, the parties agree as follows:

A. THE DISTRIBUTION OF GAMING TAX REVENUE:

1. West Central, with the assistance of the South Suburban Mayors and Managers Association and the Northwest Municipal Conference, shall administer the distribution of such gaming tax revenue as is made available for distribution by Rosemont.
2. Said distribution shall occur pursuant to the Agreement Concerning Distribution of Revenue Allocated to the Rosemont Gaming Tax Revenue Sharing Program (the "Rosemont-West Central Agreement") previously entered into between Rosemont and West Central. The Rosemont-West Central Agreement is incorporated by reference herein and is attached as Exhibit A hereto.

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<sup>1</sup> \*\* Substitute City, Town or Village throughout as appropriate\*\*

3. For such time as the <sup>City</sup>~~Village~~ meets the eligibility requirements it will receive revenue in accordance with the terms of this Agreement.
4. West Central shall have the right to use its discretion in determining, in a reasonable manner, the amount of the distribution the <sup>City</sup>~~Village~~ will receive in accordance with the Rosemont-West Central Agreement.
5. The <sup>City</sup>~~Village~~ shall return the amount of any distribution or any portion thereof within five (5) days of the receipt of a written demand if West Central reasonably determines that it was made in error.

**B. MEETING THE ELIGIBILITY REQUIREMENTS OF THE ROSEMONT-WEST CENTRAL AGREEMENT:**

1. The <sup>City</sup>~~Village~~ understands that, at the time of each distribution, it must be eligible to receive distributions of gaming tax revenue under the Rosemont-West Central Agreement. The <sup>City</sup>~~Village~~ shall cooperate with West Central in verifying its eligibility and continued eligibility. Should the <sup>City</sup>~~Village~~, in West Central's sole discretion and at any time, become ineligible to receive distributions of gaming tax revenue under the Rosemont-West Central Agreement, such distributions shall immediately cease and the <sup>City</sup>~~Village~~ shall immediately return such funds as may have been distributed since becoming ineligible.
2. The <sup>City</sup>~~Village~~ shall not establish any other similar casino or gaming establishment(s) (collectively "Casino") in suburban Cook County unless the unit of local government in whose jurisdiction said Casino is established agrees to share revenue with the cities, villages and towns, other than the City of Elgin, which are located, in whole

or in part, within suburban Cook County in a manner substantially similar to that under the Rosemont-West Central Agreement.

3. The ~~Village~~<sup>City</sup> warrants that it receives no gaming tax revenue from any source other than one which permits betting exclusively on horse racing.
4. Should a Casino or home dock of a riverboat Casino locate within the ~~Village~~<sup>City</sup>, any gaming tax revenue received by the ~~Village~~<sup>City</sup> will be shared with the cities, villages and towns, other than the City of Elgin, which are located, in whole or in part, within suburban Cook County in a manner substantially similar to that under the Rosemont-West Central Agreement.
5. The ~~Village~~<sup>City</sup> shall cooperate with and take all reasonable steps requested by Rosemont or the West Central Municipal Conference to support Rosemont's efforts to obtain approval of legislation which will authorize the Casino to be located within Rosemont and thereafter support Rosemont's efforts to obtain any and all administrative and other approvals which may be necessary to obtain the licenses and approvals required in order for the Casino to operate.

C. **INDEMNIFICATION:**

1. The ~~Village~~<sup>City</sup> shall indemnify and hold harmless the West Central Municipal Conference, South Suburban Mayors and Managers Association and the Northwest Municipal Conference (collectively, the "Municipal Associations") and Rosemont, and each of their officers, directors, trustees, employees and agents, without limitation, against any liability, loss, action, claim, damage or expense (including, but not limited to attorneys' fees and disbursements) to which they may become

subject insofar as they may be in any manner whatsoever related to the collection, administration distribution or utilization of tax revenue from gaming operations in Rosemont under this Agreement or the Rosemont-West Central Agreement:

- a. The liabilities, losses, actions, claims, damages and expenses (including attorneys' fees and disbursements) for which the Municipal Associations and Rosemont are indemnified and held harmless shall be reimbursable when they are incurred without any requirement of waiting for the ultimate outcome of any litigation, claim or other proceeding; and
  - I. Payment shall be made within ten (10) days after receipt of a notice containing an itemization of costs and expenses;
  - ii. Payment shall not be a condition precedent to the obligation to indemnify and hold harmless;
  - iii. In addition to any remedy available for failure to periodically pay such amounts, such amounts shall thereafter bear interest at the rate of eighteen percent (18%) per annum from the date of sending the notice.
- b. Each person and entity indemnified hereunder shall have a right to be represented by counsel of that person's or entity's own choosing; and
- c. West Central may, in its sole discretion, elect to withhold any or all monies due to be distributed until such costs, expenses, damages, liabilities, losses, claims or expenses (including interest, attorneys' fees and disbursements) are paid and/or as a set-off there against.

**D. ELECTION OF REMEDIES, WAIVER AND LACHES:**

1. The taking of any action or the election of any remedy by the Municipal Associations or Rosemont shall not be deemed a waiver of any other remedy or right; and
2. No waiver by the Municipal Associations, or any of them, of a default shall be construed as a waiver of any subsequent default or failure to perform; and
3. The failure of the Municipal Associations or Rosemont to enforce the provisions of this Agreement against the ~~Village~~<sup>City</sup> shall not be deemed to constitute laches or otherwise constitute a bar to subsequent enforcement.
4. The failure of the ~~Village~~<sup>City</sup> or West Central to insist on the other party's strict compliance with the terms and conditions contained in this Agreement shall not constitute a waiver of their right to insist that the other party in the future strictly comply with any and all of the terms and conditions contained in this Agreement and to enforce such compliance by any authorized remedy.

**E. CAPTIONS:**

The captions used in this Agreement are for the convenience of the parties only and shall not affect the meaning of any of the provisions of this Agreement or be deemed a part of this Agreement.

**F. ENTIRE AGREEMENT:**

This Agreement constitutes the entire agreement of the parties and supersedes all previous communications, representations or agreements, either verbal or written, between the parties.

**G. SEVERABILITY:**

The provisions of this Agreement are severable. In the event that any section, paragraph, sentence, clause or phrase in this Agreement is found or declared by a final judgment of a court of



competent jurisdiction to be invalid or unenforceable, such finding or declaration shall not affect the validity or enforceability of any other provisions or part thereof and any provision not held invalid or unenforceable shall continue in full force and effect unless such invalidity or unenforceability renders this Agreement meaningless or grossly inequitable.

**H. TERM:**

1. This Agreement shall remain only so long as and to the extent that Rosemont provides gaming tax revenue to West Central for distribution.

**I. NO LIMITATION OF OTHER POWERS AND AUTHORITY:**

Except as specifically provided in this Agreement, the provisions of this Agreement shall not limit or otherwise affect any power or authority which either the ~~Village~~<sup>City</sup> or West Central have pursuant to the Constitution and laws of the United States and the State of Illinois.

**J. BINDING EFFECT AND ASSIGNABILITY:**

This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns. However, neither West Central nor the ~~Village~~<sup>City</sup> shall assign this Agreement or any of their rights or obligations under this Agreement without the prior written consent of the other party.

**K. MODIFICATIONS AND AMENDMENT:**

This Agreement may be modified or amended only by a duly authorized written instrument signed by both the ~~Village~~<sup>City</sup> and West Central.

**L. AUTHORIZATION TO EXECUTE AGREEMENT:**

The person signing this Agreement on behalf of West Central represents and warrants that he has been duly authorized to sign the Agreement on West Central's behalf and by his signature to

bind West Central to the terms and conditions contained in this Agreement. The person signing this Agreement on behalf of the ~~Village~~<sup>City</sup> represents and warrants that he has been duly authorized to sign this Agreement on behalf of the Village and, by his signature, to bind the Village to the terms and conditions contained herein.

**M. NOTICES:**

All notices required or permitted under this Agreement shall be made in writing and shall be deemed given or delivered when received or when deposited in the United States Mail by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

IF TO ~~VILLAGE~~<sup>City</sup>

*City Manager*  
*2100 Ridge Ave.*  
*Evanston, IL 60202*  
Attn: *City Manager*

WITH A COPY TO:

*City of Evanston Law Dept.*  
*2100 Ridge Ave*  
*Evanston, IL 60202*  
Attn: *1ST ASST. CORP. COUNSEL*

IF TO WEST CENTRAL:

West Central Municipal Conference  
1127 S. Mannheim Road  
Suite 102  
Westchester, IL. 60154  
Attn: Dave Bennett, Director

WITH A COPY TO:

Glenn C. Sechen  
General Counsel  
West Central Municipal Conference  
222 N. LaSalle Street, Suite 1910  
Chicago, Illinois 60601

By notice complying with the requirements of this Article, each party shall have the right to change the address or addressee or both for all future notices to such party.

NOW, THEREFORE, the <sup>City</sup>~~Village~~ hereby agrees to accept its share of said gaming tax revenue from the Municipal Association of which it is a member. If the Village is not a member of any of the Municipal Associations, it hereby agrees to accept its share of said gaming tax revenue from the West Central Municipal Conference.

Dated this \_\_\_\_\_ day of \_\_\_\_\_, 19\_\_.

<sup>City</sup>  
~~VILLAGE OF~~ EVANSTON

By: [Signature]

Its: Interim City Manager

ATTEST:

By: \_\_\_\_\_

Its: \_\_\_\_\_

WEST CENTRAL MUNICIPAL CONFERENCE

By: \_\_\_\_\_

Its: Executive Director

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**AGREEMENT CONCERNING DISTRIBUTION OF REVENUE  
ALLOCATED TO THE ROSEMONT GAMING  
TAX REVENUE SHARING PROGRAM**

THIS AGREEMENT is entered into by and between the West Central Municipal Conference ("West Central") and the Village of Rosemont ("Rosemont"). This Agreement has been duly executed and adopted pursuant to the requirements of the parties' respective corporate authorities. The parties have executed this Agreement pursuant to its terms on this the \_\_ day of \_\_\_\_\_, 199\_.

**RECITALS**

- A. West Central is a not for profit corporation established to aid and assist its member municipalities in the performance of their governmental functions.
- B. Rosemont is a municipal corporation of the State of Illinois and is a home rule unit of local government pursuant to the provisions of Article VII, Section 6 of the Illinois Constitution.
- C. This Agreement is entered into by West Central and Rosemont pursuant to the authority granted by the Intergovernmental Cooperation Provision of the Illinois Constitution (Article VII, Section 10 of the Illinois Constitution), and Section 13(e) of the Riverboat Gambling Act (230 ILCS 10/13(e)) and any other applicable legislation concerning casinos or other similar gaming establishments.
- D. Rosemont is seeking approval from the Illinois General Assembly and the Governor of the State of Illinois of legislation which will permit a casino to be located within the Village of Rosemont or for Rosemont to be the location of the home dock of a riverboat casino (the "Casino").

E. If the Casino is located within Rosemont, it is anticipated that Rosemont will receive revenues (the "Rosemont Gaming Tax Revenues") either from a portion of the taxes levied by the State of Illinois (for example taxes on admissions to the Casino and on the adjusted gross receipts of gambling games) and/or from a local gaming tax on the revenues generated from gambling that occurs in the Casino and/or admissions to the Casino.

F. Rosemont is willing to share the Rosemont Gaming Tax Revenues with other cities, villages and incorporated towns located in Cook County, other than the Cities of Chicago and Elgin, as provided in this Agreement ("the Suburban Share").

G. West Central is willing to administer the distribution of the Suburban Share of Rosemont Gaming Tax Revenues in accordance with the terms and conditions set forth in this Agreement to those municipalities located wholly or partially within Cook County (other than the Cities of Chicago and Elgin) which enter into an agreement to receive a part of the Suburban Share (the "Participating Cook County Suburbs").

H. Rosemont is willing to have West Central administer the distribution of the Suburban Share to the Participating Cook County Suburbs in accordance with the terms and conditions set forth in this Agreement.

**NOW, THEREFORE**, in consideration of the mutual covenants set forth below, Rosemont and West Central agree as follows:

**1. DEFINITIONS.**

For the purpose of this Agreement each of the following words and phrases shall have the meaning set forth below unless the context clearly indicates a different meaning:

1.1 "Casino" shall mean any casino to be located within the Village of Rosemont or any riverboat casino for which Rosemont is to be the location of the home dock.

1.2 "Rosemont Gaming Tax Revenues" shall mean any revenues Rosemont will receive either from a portion of the taxes levied by the State and/or from a local gaming tax on the revenues generated from gambling that occurs in the Casino and/or admissions to the Casino, other than revenues from Rosemont's general amusement tax.

1.3 "Suburban Share" and "Suburban Share of Rosemont Gaming Tax Revenues" shall mean the Rosemont Gaming Tax Revenues which Rosemont will share, as set forth in Section 2 of this Agreement, with other cities, villages and incorporated towns located in Cook County, not including the Cities of Chicago and Elgin.

1.4 "Participating Cook County Suburbs" shall mean those municipalities located wholly or partially within Cook County which enter into an agreement to receive a part of the Suburban Share of the Rosemont Gaming Tax Revenues and which are otherwise eligible under this Agreement.

1.5 "Term Year" shall mean each one year period starting on the day of the year the Term of this Agreement begins as set forth in Section 10.

## **2. ALLOCATION OF ROSEMONT GAMING TAX REVENUES AND IMPOSITION OF TAX.**

The Rosemont Gaming Tax Revenues shall be allocated to the Suburban Share during the term of this Agreement except as follows:

2.1 Rosemont shall retain the first \$3 million (\$3,000,000.00) of the Rosemont Gaming Tax Revenues in each of the first ten (10) Term Years only.

2.2 During the first ten (10) Term Years Rosemont shall additionally retain 20% of the sum of the Rosemont Gaming Tax Revenues received in each Term Year in excess of \$3 million.

2.3 After the first ten (10) years Rosemont shall retain only 20% of the Rosemont Gaming Tax Revenues.

**3. DISTRIBUTION OF SUBURBAN SHARE OF ROSEMONT GAMING TAX REVENUES.**

3.1 Unless prohibited by state law, Rosemont shall pay the Suburban Share of Rosemont Gaming Revenues to West Central or to a depository designated by West Central. Rosemont shall pay the Suburban Share of Rosemont Gaming Tax Revenues to West Central or the designated depository within 60 days after the Rosemont Gaming Tax Revenues are received by Rosemont.

3.2 West Central shall be responsible for distributing to each of the Participating Cook County Suburbs, the suburb's allocated portion of the Suburban Share of the Rosemont Gaming Tax Revenues. West Central shall distribute to each Participating Cook County Suburb, its allocated portion of the Suburban Share of Rosemont Gaming Tax Revenues within 90 days after Rosemont pays the Suburban Share of Rosemont Gaming Tax Revenues to West Central or West Central's designated depository. West Central may enter into agreements with other organizations whose membership includes municipalities which are located wholly or partially within Cook County, such as the Northwest Municipal Conference and the South Suburban Mayors and Managers Association (the "Other Municipal Organizations"), pursuant to which the Other Municipal Organizations shall distribute or assist in the distribution of some or all of the Suburban Share of Rosemont Gaming Tax Revenues to their member Participating Cook County Suburbs. The terms and provisions of any such agreement with one or more of Other Municipal Organizations shall be subject to the approval



of Rosemont, which approval shall not be unreasonably withheld. Except as provided in this Agreement, West Central may utilize any method it chooses to effect the distribution of the Suburban Share of Rosemont Gaming Revenues to the Participating Cook County Suburbs.

3.3 West Central and any of the Other Municipal Organizations involved in the distribution of the Suburban Share of Rosemont Gaming Tax Revenues to the Participating Cook County Suburbs may, between themselves, retain an amount totalling not more than two percent (2%) of the Suburban Share of the Rosemont Gaming Tax Revenues to cover the costs incurred in administering the distribution of the Suburban Share of Rosemont Gaming Tax Revenues to the Participating Cook County Suburbs. Except as provided in this Agreement, West Central and the Other Municipal Organizations shall not retain any portion of the Suburban Share of the Rosemont Gaming Tax Revenues without the consent of Rosemont.

3.4 The Suburban Share of the Rosemont Gaming Tax Revenues shall be allocated to each of the Participating Cook County Suburbs as follows:

(A) Fifty percent (50%) of the total Suburban Share of the Rosemont Gaming Tax Revenues will be distributed on a flat rate basis (the "Flat Rate Allocation"). The other fifty percent (50%) will be distributed on a per capita basis, based on each Participating Cook County Suburb's population (the "Per Capita Allocation").

(B) The amount of the Flat Rate Allocation to be distributed to each Participating Cook County Suburb shall be determined as follows:

(F) A number (the "Flat Rate Allocation Factor") shall be calculated for each Participating Cook County Suburb by dividing the percentage of the Suburb's population which is located within Cook County by one hundred percent (100%), so that a suburb totally within Cook County would have a Flat Rate Allocation Factor of 1 and a suburb

which has seventy percent (70%) of its population in Cook County would have a Flat Rate Allocation Factor of seven-tenths (.7);

- (ii) The Flat Rate Allocation Factor for each of the Participating Cook County Suburbs shall be added together to arrive at the Total Flat Rate Allocation Factor;
- (iii) The amount of the Flat Rate Allocation shall then be divided by the Total Flat Rate Allocation Factor to arrive at the Flat Rate Full Allocation Amount; and
- (iv) The share of the Flat Rate Allocation Amount which each Participating Cook County Suburb is entitled to receive would then be determined by multiplying the Flat Rate Full Allocation Amount by the Suburb's Flat Rate Allocation Factor. Exhibit A to this Agreement is an illustration of how the Flat Rate Allocation is to be distributed.

© The amount of the Per Capita Allocation Amount to be distributed to each Participating Cook County Suburb shall be determined as follows:

- (i) The population of each Participating Cook County Suburb which resides within Cook County shall be calculated and then added together to arrive at the "Total Population of the Participating Suburbs";
- (ii) The Per Capita Amount would then be divided by the Total Population of the Participating Suburbs to arrive at the Per Capita Distribution Factor; and
- (iii) The population of each Participating Cook County Suburb would then be multiplied by the Per Capita Distribution Factor to arrive at the amount of the Per Capita Allocation Amount which the suburb would receive. Exhibit B to this Agreement is an illustration of how the Per Capita Allocation Amount is to be distributed.

3.5 For purposes of calculating each Participating Cook County Suburb's share of the Flat Rate Allocation and the Per Capita Allocation, the total population of each Participating Cook County Suburb and the percentage of population of each Participating Cook County Suburb residing

in Cook County will be based on the most recent decennial census data as available from the Northeastern Illinois Planning Commission.

4. **ELIGIBILITY REQUIREMENTS.**

A municipality shall not be eligible to receive any part of the Suburban Share of the Rosemont Gaming Tax Revenues unless it meets each of the following requirements:

4.1. The municipality must be a city, village, or incorporated town with a total population of less than 1,000,000, not including the City of Elgin.

4.2. The territory within the municipality's corporate limits must be located either entirely or partially in Cook County.

4.3. As of the date of this Agreement, the municipality must not have located within its corporate limits a casino or other gaming establishment and also must not be the site of the home dock of a riverboat on which gambling occurs, unless the municipality does not receive a share of any state or local tax which may be levied on the revenues of, or admissions to, the casino or riverboat. For purposes of this Agreement, horse racing tracks and off track betting facilities for the placing of bets on horse races are not gaming establishments unless gambling other than betting on horse racing occurs at such facilities.

4.4. The municipality must not receive or otherwise share in the distribution of tax revenues that are generated from taxes levied on admissions to, revenues of, or any other operations of a casino, riverboat or other gaming establishment unless all cities, villages or incorporated towns located in Cook County with a population of less than 1,000,000, with the exception of the City of Elgin, are eligible to receive a share of such tax revenue on the same basis as the municipality.

4.5. The municipality must execute an agreement which provides:

- (i) That the municipality shall provide the support specified in Section 5 of this Agreement; and
- (ii) That the municipality shall indemnify and hold West Central and Rosemont harmless from all costs, expenses, fees (including but not limited to reasonable attorney's fees), and liabilities in any manner related to this Agreement, including without limitation, in connection with the collection, distribution, expenditure or other use of any revenues which the municipality may receive from the Suburban Share of the Rosemont Gaming Tax Revenues and with regard to any other actions it takes or omissions it may make in connection with the administration and implementation of any agreement which the municipality signs in connection with its receipt of a portion of the Suburban Share of the Rosemont Gaming Tax Revenues; and
- (iii) The municipality must further agree that if it is afforded and accepts the opportunity to be the home dock of a riverboat or the home of a casino or other gaming facility it will share its gaming tax revenue in a manner substantially similar to the manner in which Rosemont has agreed to share its revenue in this Agreement; and
- (iv) Such other requirements deemed necessary or desirable by West Central. The form of the agreement required by this Section shall be subject to the approval of Rosemont, which approval shall not be unreasonably withheld.

##### **5. SUBURBAN SUPPORT.**

West Central and any Other Municipal Organization which shall participate in the distribution of the Suburban Share of the Rosemont Gaming Tax Revenues shall take reasonable steps, as requested by Rosemont, to support Rosemont's efforts to obtain approval of legislation which will authorize the Casino and thereafter support the Village's efforts to obtain any and all administrative and other approvals which may be necessary in order for the Casino to obtain the licenses and approvals required in order for the Casino to operate. Each Participating Cook County Suburb shall, as a condition to its right to receive a portion of the Suburban Share of the Rosemont Gaming Tax Revenues, take reasonable steps as requested by Rosemont or West Central to support Rosemont's efforts to obtain approval of legislation which will authorize the Casino to be located

within Rosemont and thereafter support Rosemont's efforts to obtain any and all administrative and other approvals which may be necessary in order for the Casino to obtain the licenses and approvals required in order for the Casino to operate.

No Participating Cook County Suburb shall support any municipality in its bid for a riverboat, a casino or any other gaming facility unless that municipality agrees to share its gaming tax revenue with the Cook County Suburbs in a manner substantially similar to the manner in which Rosemont has agreed to share its revenue in this Agreement.

#### **6. ROSEMONT'S RIGHT TO TERMINATE.**

6.1 Rosemont shall have the right to terminate this Agreement in the event a another casino or other gaming establishment is located within Suburban Cook County or has its home dock within Suburban Cook County from which a municipality other than the Cities of Chicago and Elgin receive revenue from a state or local tax which is levied on admissions, gross gambling revenues or other gaming operations of the casino unless such municipality agrees to distribute the revenue it receives from such taxes in a manner substantially similar to that established under this Agreement. In order to exercise its right to terminate this Agreement, Rosemont must give written notice to West Central within one (1) year of the first day of gaming operations of the first casino located in Suburban Cook County which does not distribute revenue from a state or local tax which is levied on admissions, gross revenues or other gaming operations in a percentage similar to that levied pursuant to this Agreement. Nonetheless, Rosemont shall continue to pay all monies required under Section 2 of this Agreement for a period of at least 10 Term Years and in addition shall make the payments provided for in Section 6.2.

6.2 If Rosemont terminates this Agreement pursuant to Section 6.1, then Rosemont shall pay West Central, for distribution to the Participating Cook County Suburbs, a total of \$24 million (\$24,000,000.00) out of the Rosemont Gaming Tax Revenues by paying to West Central 80% of the Rosemont Gaming Tax Revenues beginning on the date Rosemont ceases to be obligated to make payments pursuant to Section 2 of this Agreement. Any payments made to West Central pursuant to this Section 6.2 shall be made as provided in Section 3.1 and shall be distributed by West Central to Participating Cook County Suburbs in accordance with Section 3.2 through 3.5 of this Agreement.

**7. COOPERATION.**

West Central hereby agrees and shall require each municipality which receives any portion of the Suburban Share to agree that it shall not establish and shall oppose the establishment of any other similar casino or gaming establishment in suburban Cook County, unless the unit of local government in whose jurisdiction said casino is established agrees to share revenue in a manner substantially similar to that established under this Agreement.

**8. INDEMNIFICATION.**

West Central shall indemnify and hold Rosemont, its officers, agents and employees harmless from any and all claims, liabilities, actions, costs and expenses including, but not limited to, reasonable attorneys fees which may arise directly, or indirectly, from West Central's distribution of the Suburban Share of the Rosemont Gaming Tax Revenues or from West Central's performance of, or failure to perform, its obligations under this Agreement.

9. WORKING NATURE OF AGREEMENT.

Rosemont and West Central each acknowledge the working nature of this Agreement and each party agrees to cooperate and consult with the other party in an effort to expeditiously and amicably resolve any unforeseen difficulties or problems not covered by this Agreement.

10. TERM.

This Agreement shall have a term of twenty-five (25) years beginning the first day of the calendar month after the date the Casino is first opened to the public and shall continue in force on a year-to-year basis thereafter unless terminated by either party by the giving of written notice to the other party not less than 120 days prior to the date the termination is to be effective or unless terminated by Rosemont in accordance with Section 6.1.

11. ASSIGNMENT.

Except as provided in this Agreement, neither West Central nor Rosemont shall assign this Agreement or any of their rights or obligations under this Agreement without the prior written consent of the other party.

12. NON-WAIVER.

The failure of Rosemont or West Central to insist on the other party's strict compliance with the terms and conditions contained in this Agreement shall not constitute a waiver of Rosemont's and West Central's right to insist that the other party in the future strictly comply with any and all of the terms and conditions contained in this Agreement and to enforce such compliance by any authorized remedy.

13. GOVERNING LAW.

This Agreement shall be construed in accordance with the laws of the State of Illinois.

**14. NOTICES.**

All notices required or permitted under this Agreement shall be made in writing and shall be deemed given or delivered when received or when deposited in the United States Mail by registered or certified mail, return receipt requested, postage prepaid and addressed as follows:

**IF TO ROSEMONT:** Village of Rosemont  
9501 West Devon Ave.  
Rosemont, IL 60018  
Attn: Mr. Donald E. Stephens, Mayor

**WITH A COPY TO:** Peter M. Rosenthal  
Rosenthal, Murphey,  
Coblentz & Janega  
30 North LaSalle St.  
Chicago, IL 60602

**IF TO WEST CENTRAL:** West Central Municipal Conference  
1127 S. Mannheim Road  
Suite 102  
Westchester, IL. 60154  
Attn: Dave Bennett, Director

**WITH A COPY TO:** Glenn C. Sechen  
General Counsel  
West Central Municipal Conference  
222 N. LaSalle Street  
Suite 1910  
Chicago, Illinois 60601

**15. BINDING EFFECT.**

This Agreement shall be binding upon and inure to the benefit of the parties, their successors and assigns, subject to the provisions in Section 11.



16. MODIFICATIONS AND AMENDMENT.

This Agreement may be modified or amended only by a written instrument signed by both Rosemont and West Central.

17. CAPTIONS.

The captions used in this Agreement are for the convenience of the parties only and shall not affect the meaning of any of the provisions of this Agreement or be deemed a part of this Agreement.

18. ENTIRE AGREEMENT.

This Agreement constitutes the entire agreement of the parties and supersedes all previous communications, representations or agreements, either verbal or written, between the parties.

19. SEVERABILITY.

The provisions of this Agreement are severable. In the event that any section, paragraph, sentence, clause or phrase in this Agreement is found or declared by a final judgment of a court which has jurisdiction over Rosemont and West Central to be invalid or unenforceable, such finding or declaration shall not affect the validity or enforceability of any other provisions or part thereof and any provision not held invalid or unenforceable shall continue in full force and effect unless such invalidity or unenforceability renders this Agreement meaningless or grossly inequitable.

20. COMPLIANCE WITH LAWS.

Rosemont and West Central shall comply with all applicable laws, rules and regulations in the administration and implementation of this Agreement.

**21. NO LIMITATION OF OTHER POWERS AND AUTHORITY.**

Except as specifically provided in this Agreement, the provisions of this Agreement shall not limit or otherwise affect any power or authority which either Rosemont or West Central have pursuant to the Constitution and laws of the United States and the State of Illinois.

**22. AUTHORIZATION TO EXECUTE AGREEMENT.**

The person signing this Agreement on behalf of West Central represents and warrants that he has been duly authorized to sign the Agreement on West Central's behalf and by his signature to bind West Central to the terms and conditions contained in this Agreement. The person signing this Agreement on behalf of Rosemont represents and warrants that he has been duly authorized to sign this Agreement on behalf of Rosemont and, by his signature, to bind Rosemont to the terms and conditions contained in this Agreement.

**THIS AGREEMENT** made as of the date first set forth above.

**THE WEST CENTRAL MUNICIPAL  
CONFERENCE**

**THE VILLAGE OF ROSEMONT, an  
Illinois Municipal corporation**

By: \_\_\_\_\_  
Conference President

By: \_\_\_\_\_  
Donald E. Stephens, Mayor

## EXHIBIT A

### Illustration of Distribution of the Flat Rate Allocation

Assume the amount of the Flat Rate Allocation is \$100,000 and there are five Participating Cook County Suburbs, A, B, C, D, and E, with Suburbs A, B and C being located entirely within Cook County and Suburb D having fifty percent (50%) of its population located in Cook County and Suburb E having twenty-five percent (25%) of its population located within Cook County. Suburbs A, B, and C would each have a Flat Rate Allocation Factor of 1, Suburb D would have a Flat Rate Allocation Factor of .5 and Suburb E would have a Flat Rate Allocation Factor of .25. The Total Flat Rate Allocation Factor would be 3.75 ( $1+1+1+.5+.25 = 3.75$ ). The Flat Rate Full Allocation Amount would be \$100,000 divided by 3.75 or \$26,666.67. Suburbs A, B, and C would then each receive \$26,666.67 from the total \$100,000 Flat Rate Allocation because they each have a Flat Rate Allocation Factor of 1. Suburb D would receive \$13,333.34 because it has a Flat Rate Allocation Factor of .5. Suburb E would receive \$6,666.67 because it has a Flat Rate Allocation Factor of .25.

## EXHIBIT B

### Illustration of Distribution of the Per Capita Allocation

Assume the amount of the Per Capita Allocation is \$100,000 and there are five Participating Cook County Suburbs, Suburbs A, B, C, D, and E. Suburb A, B, and C are located entirely within Cook County. Suburb A has a population of 40,000. Suburb B has a population of 15,000. Suburb C has a population of 2500. Suburb D has a total population of 15,000 of which 50% lives in Cook County, giving Suburb D a Cook County population of 7,500. Suburb E has a population of 20,000 of which 25% lives in Cook County, giving Suburb E a Cook County population of 5,000. The Total Population of the Participating Cook County Suburbs would then be 70,000,  $(40,000 + 15,000 + 2,500 + 7,500 + 5,000 = 70,000)$ . The Per Capita Allocation is then divided by the Total Population of the Cook County Suburbs to arrive at the Per Capita Distribution Factor. The Per Capita Distribution Factor would be \$1.4286,  $(\$100,000/70,000 = \$1.4286)$ . The Per Capita Distribution Factor is then multiplied by the Cook County population of each of the Participating Cook County Suburbs to arrive at each suburb's share of the Per Capita Allocation. Suburb A would therefore receive  $40,000 \times 1.4286$  or \$57,144. Suburb B would receive \$21,429,  $(15,000 \times 1.4286)$  Suburb C would receive \$3,572,  $(2500 \times 1.4286)$ , Suburb D would receive \$10,715  $(7,500 \times 1.4286)$ . Suburb E would receive \$7,143  $(5,000 \times 1.4286)$ .