

**INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN  
COUNTY OF LAKE, VILLAGE OF VERNON HILLS, AND MELLODY FARM LLC  
REGARDING THE CUNEO INTERSECTION PROPERTY**

THIS INTERGOVERNMENTAL AGREEMENT (the “**Agreement**”) is entered into by and between the COUNTY OF LAKE (the “**County**”), the VILLAGE OF VERNON HILLS (the “**Village**”) and MELLODY FARM LLC (the “**Developer**”) (the County, the Village, and the Developer are collectively referred to herein as the “Parties” and individually, generally as “**Party**”).

RECITALS

WHEREAS, the Village and the County are units of local government as defined by Article VII, Section 1 of the Constitution of the State of Illinois; and

WHEREAS, intergovernmental cooperation between Illinois local governments is authorized directly by Section 10(a) of Article VII of the Illinois Constitution 1970, and is further encouraged and authorized by the Illinois Intergovernmental Cooperation Act, 5 ILCS 220/1 *et seq.*; and

WHEREAS, under Section 3 of the Intergovernmental Cooperation Act any powers, privileges or authority exercised or which may be exercised by a public agency may be exercised, combined, transferred, and enjoyed jointly with any other public agency of this State, 5 ILCS 220/3, and public agencies may enter into agreements to effect such cooperative use of their powers, privileges, and authority under Section 5 of the Intergovernmental Cooperation Act, 5 ILCS 220/5; and

WHEREAS, The County and the Village have previously entered into that certain “Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills” dated June 7, 1996 (the “**Original Sewer and Water Agreement**”), which agreement was amended on April 12, 2016 (the “**First Amendment**”)(collectively, the Original Sewer and Water Agreement and First Amendment is hereinafter referred to as the “**Amended Sewer/Water Agreement**”),”).

WHEREAS, the Village desires to modify the availability of water and sewer services within the Cuneo Service Area [as defined in the Amended Sewer/Water Agreement, and as proposed to be amended and redefined in the “Second Amendment to Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills” in the form that is attached hereto as Exhibit 1 (the “**Second Amendment**”)], and to make other changes in the restrictions affecting certain properties in the Cuneo Service Area; and

WHEREAS, as more specifically set forth in this Agreement and its exhibits, the County and the Village agree to modify further the potable water and sanitary sewer service provided for in the Amended Sewer/Water Agreement and otherwise to modify the development parameters for the “**Cuneo Intersection Property**” (as defined in the Second Amendment and as legally described in Exhibit 2 attached to this Agreement) within the Cuneo Service Area, and the County and Village have each determined that doing so is in the best interests of the public health, safety, and welfare; and

WHEREAS, the Developer is the contract purchaser of the Cuneo Intersection Property and proposes to cause it to be developed with a mixed use commercial and residential development, subject to approval by the Village; and

WHEREAS, the Village and the Developer desire to modify the restrictions set forth in that certain “Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo Intersection Commercial Property,” made and effective as of June 7, 1996, and recorded in the Recorder’s Office of Lake County on June 7, 1996 as document no. 3835076 (the “**1996 Declaration**”) to accommodate the proposed mixed use commercial and residential development, and the County has determined that doing so is in the best interests of the public health, safety, and welfare.

NOW, THEREFORE, in consideration of the foregoing premises, mutual promises,

covenants, and agreements set forth herein, the Parties hereby agree as follows:

Section 1. Recitals. The foregoing recitals are material to this Agreement and are incorporated herein as though fully set forth in this Section 1.

Section 2. Amendment to Amended Sewer/Water Agreement. Consistent with Section 9.3 of the Original Sewer and Water Agreement, the County and the Village hereby approve the Second Amendment in substantially the form that is attached hereto as Exhibit 1. The approvals of the County and the Village with respect to the Second Amendment shall have no force or effect unless and until the conditions set forth in Section 5.c of this Agreement have been fully satisfied.

Section 3. Amendment to Cuneo Intersection Commercial Property Declaration. The County, the Village, and the Developer hereby approve the “Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo Intersection Commercial Property Now to Be Known as the Cuneo Intersection Property” in substantially the form that is attached hereto as Exhibit 3 (the “**Amended Covenant**”), which Amended Covenant is intended to supersede the 1996 Declaration. The approvals of the County, the Village, and the Developer with respect to the Amended Covenant are consistent with and complies with Clause V.D of the 1996 Declaration, but they shall have no force or effect unless and until the conditions of Section 5.c of this Agreement have been fully satisfied.

Section 4. Development Plans for the Cuneo Intersection Property.

a. The Developer has proposed a mixed use commercial and residential development on the Cuneo Intersection Property and intends to apply to the Village for the relief and approvals necessary to allow for final plan approval for such development in accordance with the applicable approval processes of the Village. The Developer will not close on the acquisition of the Cuneo Intersection Property unless and until its proposed final plan for development is approved by the Village.

b. The Village agrees that it will not approve a final plan, including without limitation a final planned unit development plat pursuant to Section 20.2 of the Vernon Hills Zoning Ordinance, for the Cuneo Intersection Property that depicts or authorizes:

1. More than **[285,000]** gross square feet of “commercial development” without the express written consent of the County.
2. More than **[265]** residential units; provided, however that no residential use shall be allowed unless the final planned unit development plat pursuant to which such residential use is approved also depicts and authorizes not less than **[260,000]** gross square feet of “commercial development.”

For purposes of this Agreement, “commercial development” shall mean a development consisting of any permitted or special use identified in Exhibit 4 to this Agreement (the “**Authorized Uses**”).

c. The County has received and hereby approves an ordinance in substantially the form amending Village Ordinance No. 96-30 provided that the Village approves such ordinance in substantially the form attached hereto as Exhibit 5 (the “**Amendment to Ordinance No. 96-30**”). In addition, if the Village approves (I) the Amendment to Ordinance 96-30 and (II) a final planned unit development plat pursuant to Section 20.2 of the Vernon Hills Zoning Ordinance, then the County acknowledges and agrees that such final planned unit development plat shall be deemed in conformity with, and not less restrictive than or in conflict with, the “Joint Local Land Resource Management Plan and Agreement” dated as of June 13, 1995 to which the Village and the County are parties and the Land Management Standards set forth therein, provided that: such final planned unit development plat (i) is in general conformity with the Preliminary Engineering Plans attached as Exhibit 3 to the Second Amendment, (ii) satisfies the conditions set forth in Section 4.b of this Agreement, and (iii) has not been objected to by the County in accordance with Section 5(c)(1) of this Agreement.

Section 5. Conditions and Sequencing of Approvals.

a. Concurrent with the execution of this Agreement, the County and the Village shall each cause the Second Amendment to be executed by its respective duly authorized representative and deposited into escrow with Chicago Title Insurance Company (the “**Escrowee**”) in accordance with the escrow instructions set forth in the agreement attached hereto as Exhibit 6 (“**Escrow Agreement**”).

b. Concurrent with the execution of this Agreement, the Developer shall execute the Amended Covenant as Declarant, and the County and the Village shall each cause its duly authorized representative to execute the respective “Acknowledgement, Approval, and Acceptance” clauses of the Amended Covenant. Upon execution by the Parties, the Amended Covenant shall be deposited into escrow with the Escrowee in accordance with the Escrow Agreement.

c. The Parties acknowledge and agree that (i) the Second Amendment shall not be effective or released from escrow and (ii) the Amended Covenant shall not be effective or recorded unless and until each and all of the following conditions have been satisfied:

1. The Village Clerk of the Village has delivered to the County and the Escrowee a certified copy of an ordinance adopted by the Village Board of the Village granting approval of a final planned unit development plat pursuant to Section 20.2 of the Vernon Hills Zoning Ordinance (which ordinance may be approved subject to final engineering approval) conforming to the conditions set forth in Section 4.b of this Agreement (the “**Final Development Ordinance**”); provided that the County has not notified the Escrowee, the Village, and the Developer within ten (10) days after the delivery of such certified copy of the Final Development Ordinance of its disagreement that the Final Development Ordinance conforms to the conditions set forth in Section 4.b of this Agreement.

2. The Developer has delivered to the Escrowee evidence in the form of a recorded deed that the Developer has acquired title to the Cuneo Intersection Property.
3. The Developer has delivered to the Escrowee \$1,370,726.00 as prepayment of water and sewer connection fees for the Commercial Parcel of the Cuneo Intersection Property (the “**Commercial Connection Fee Prepayment**”).

In the event that all of these conditions have not been satisfied on or before the date that is the first anniversary of the Effective Date, all County and Village approvals conditionally granted pursuant to this Agreement shall be of no force or effect, and the Escrowee shall: (i) return to the County the documents that have been deposited into the Escrow; and (ii) return to the Developer the Commercial Connection Fee Prepayment. Notwithstanding the one-year period set forth in the preceding sentence, the Village, County Board Chair and County Administrator may jointly agree in writing to extend the time for satisfaction of these conditions to a date agreed upon by the Parties.

d. Each of the Parties hereby authorizes and directs its duly authorized representative to execute the Escrow Agreement for delivery to the Escrowee.

e. The Developer acknowledges and agrees that, upon the Second Amendment and Amended Covenant having full force and effect as provided in this Agreement, the County shall be entitled to receipt of the Commercial Connection Fee Prepayment. The Developer and County further agree that:

1. As the Commercial Parcel of the Cuneo Intersection Property develops and water and sanitary sewer connections are made on such Commercial Parcel, the Developer shall be required to obtain connection permits from the County in accordance with the Amended Sewer/Water Agreement, and Developer shall be required to physically connect a premises on the Commercial Parcel

within two years after obtaining a connection permit therefor, after which time such permit shall expire. To the extent that Developer obtains connection permits within four (4) years after the disbursement date as set forth in Section 4.A.2 of the Escrow Agreement (the “**Disbursement Date**”), the connection fees in force as of the Effective Date of this Agreement shall apply with respect to such connection permits up to a maximum of 171.4 Residential Customer Equivalents; for connection permits obtained after the fourth anniversary of the Disbursement Date (including any renewal connection permits), Developer shall pay the then-applicable connection fees for such services. For any connection permits that Developer obtains for the Commercial Parcel in accordance with this Agreement, the Commercial Connection Fee Prepayment shall be applied as a credit against the amount of such fees due in connection with the Commercial Parcel as provided in this Subsection 5(e)(1) and Subsection 5(e)(5);

2. In the event that the amount of the water and sanitary sewer connection fees for the development of the Commercial Parcel due in accordance with Subsection 5(e)(1) of this Agreement exceed the amount of the Commercial Connection Fee Prepayment, the Developer shall be required to pay such additional amount of connection fees as a condition precedent to receiving connection permits from the County. In the event that the amount of the water and sanitary sewer connection fees for the development of the Commercial Parcel are less than the amount of the Commercial Connection Fee Prepayment, the Developer shall not be entitled to any refund of the Commercial Connection Fee Prepayment; and

3. As that portion of the Cuneo Intersection Property authorized to be used for up to **[265]** dwelling units as provided in Section 4.b and Exhibit 4 of this Agreement (the “**Residential Parcel**”) develops and water and sanitary sewer connections are requested for such Residential Parcel, the Developer shall be required to pay the then-applicable connection fees for such water and sewer services without regard to the Commercial Connection Fee Prepayment.
4. The Developer shall be entitled to sewer and water connections for the Cuneo Intersection Property in accordance with the terms of the Amended Sewer/Water Agreement and this Agreement.
5. In order to secure water and sewer connections for the Commercial Parcel, the Developer shall be required to complete an application on the County’s standard form [the current version of which is attached hereto as Exhibit 7, the “**Application**”)], which Application shall set forth the information relating to the anticipated utilization of the premises that are the subject of such Application. Within fourteen (14) calendar days after receipt of an Application for any premises on the Commercial Parcel, the County shall determine whether the Application is complete and otherwise in substantial conformity with the anticipated utilization depicted on the “**Fee Exhibit**” attached hereto as Exhibit 8 (which illustrates the County’s water and sewer connection fees as of the Effective Date). If the Application is not complete, in substantial conformity with the Fee Exhibit, and otherwise ready for issuance under the terms of the Amended Sewer/Water Agreement, the County shall notify the Developer in writing of the reasons for not approving

such Application. If the Application is complete and in conformity with the Fee Exhibit and the Amended Sewer/Water Agreement, the County shall:

- a. Calculate the applicable connection fees for the premises that is the subject of an Application based on the applicable rates for water and sewer connections as set forth in Subsection 5.e.1 of this Agreement (the "**Pending Application Connection Fees**");
- b. Determine the then-current balance of the Commercial Connection Fee Prepayment;
- c. Deduct the Pending Application Connection Fees from the then-current balance of the Commercial Connection Fee Prepayment; and
- d. Either:
  - i. If the then-current balance of the Commercial Connection Fee Prepayment exceeds the Pending Application Connection Fees, issue connection permits for the subject premises and notify the Developer in writing of the revised balance of the Commercial Connection Fee Prepayment; or
  - ii. If the Pending Application Connection Fees exceed the then-current balance of the Commercial Connection Fee Prepayment, notify the Developer in writing of the amount necessary to fully pay the Pending Application Connection Fees after deducting the full amount of the then-current balance of the Commercial Connection Fee Prepayment (the "**Outstanding Fee Balance**"), and, upon receipt of the Outstanding Fee Balance, immediately issue the connection permits for the subject premises.

Section 6. Incorporation of Exhibits. Exhibits 1 through 8 attached hereto are hereby incorporated into and made part of this Agreement.

Section 7. Applicable Law; Challenges to Agreement; Interpretation; Severability.

A. Applicable Law. This Agreement is executed and to be performed in the State of Illinois, and shall be governed by and construed in all respects, whether as to validity, construction, capacity, performance, or otherwise, in accordance with the laws of the State of Illinois.

B. Joint Defense. In the event that a third-party should make a claim or demand or file a

suit challenging the provisions of this Agreement or its exhibits (including without limitation any challenge that this Agreement is unlawful or unauthorized) (a “**Claim**”), the Parties shall jointly defend themselves, each other, and this Agreement against such Claim, unless the Parties mutually agree to modify the Agreement in a manner that would negate the Claim.

C. Interpretation and Severability. In case of any conflict among the provisions of this Agreement, the provision that best promotes and reflects the intent of the Parties shall control. If any provision of this Agreement is construed or held to be void, invalid, or unenforceable in any respect, the remaining provisions of this Agreement shall not be affected thereby but shall remain in full force and effect.

Section 8. Effective Date. This Agreement shall be effective as of the date that the last Party has executed this Agreement as evidenced by the dates contained on the signature page of this Agreement, but in no event later than 31 December 2016 (the “**Effective Date**”).

Section 9. Execution in Counterparts. This Agreement and its exhibits may be executed in multiple identical counterparts, and all of such counterparts, taken individually and taken together, shall constitute the Agreement.

Section 10. No Third Party Beneficiaries. Nothing in this Agreement shall create, or shall be construed or interpreted to create, any legal or equitable third party beneficiary rights.

Section 11. Amendments. Except as expressly provided otherwise in this Agreement, this Agreement shall not be modified, changed, altered, amended, or terminated without the written and duly authorized consent of the County, the Village, and the Developer.

Section 12. Notices. Any notice required or permitted to be given under the Agreement shall be in writing and may be given by (a) personal delivery, (b) nationally recognized overnight delivery service, (c) confirmed facsimile, (d) certified or registered mail, return receipt requested, or (e) electronic transmission, accompanied by any of the foregoing notice options; notice shall be deemed

given (i) if given personally, as of the date delivered, (ii) if by overnight delivery service, the next business day following deposit with such service, (iii) if by facsimile, the date shown on the confirmed receipt, (iv) if by certified or registered mail, three days after deposit thereof in any main or branch United States Post Office, or (v) if by electronic transmission accompanied by any of the foregoing delivery options, the date of transmittal of the electronic transmission. Notices shall be sent to the parties, respectively, as follows:

For notices and communications to the County:

County of Lake  
18 North County Street  
Waukegan, Illinois 60085  
Attn: County Administrator

and

Lake County Department of Public Works  
650 Winchester Road  
Libertyville, Illinois 60048  
Attn: Director

For notices and communications to the Village:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

For notices and communications to the Developer:

\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_

E-mail addresses of the foregoing recipients shall be the then-current official e-mail of the notice recipient. By notice complying with the foregoing requirements of this Section 12, each party shall have the right to change the addressees or addresses or both for all future notices and

communications to such party, but no notice of such a change shall be effective until actually received.

***[Signature pages to follow.]***

IN WITNESS WHEREOF, the Parties have caused these presents to be executed by their duly authorized corporate officers and have caused their corporate seals to be hereunto affixed all as of the day and year first above written.

VILLAGE OF VERNON HILLS

COUNTY OF LAKE

By: \_\_\_\_\_  
Its Village President

By: \_\_\_\_\_  
Its Chairman

Date: \_\_\_\_\_

Date: \_\_\_\_\_

Attest: \_\_\_\_\_  
Village Clerk

Attest: \_\_\_\_\_  
County Clerk

MELLODY FARM LLC,  
a Delaware limited liability company

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

Date: \_\_\_\_\_

Attest: \_\_\_\_\_

**EXHIBIT 1**

Second Amendment to Agreement for Sanitary Sewer and Water Supply Services to the  
Cuneo Service Area of the Village of Vernon Hills

**SECOND AMENDMENT TO AGREEMENT FOR SANITARY  
SEWER AND WATER SUPPLY SERVICES TO THE CUNEO  
SERVICE AREA OF THE VILLAGE OF VERNON HILLS**

This **SECOND AMENDMENT TO AGREEMENT FOR SANITARY SEWER AND WATER SUPPLY SERVICES TO THE CUNEO SERVICE AREA OF THE VILLAGE OF VERNON HILLS** (the “**Second Amendment**”) is made and entered into this \_\_\_ day of \_\_\_\_\_, 2016 by and between the **COUNTY OF LAKE** (the “**County**”) and the **VILLAGE OF VERNON HILLS** (the “**Village**”).

**SECTION ONE: Recitals.**

a. The County and the Village entered into that certain “Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills” dated June 7, 1996 (the “**Original Sewer and Water Agreement**”), which Original Sewer and Water Agreement was amended by that certain “First Amendment to Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills” dated April 12, 2016 (the “**First Amendment**”)(the Original Sewer and Water Agreement and the First Amendment shall hereinafter be collectively referred to as the “**Sewer & Water Agreement**”).

b. Under Section 5.3(a) of the Sewer and Water Agreement, services to residential dwelling units in the Cuneo Service Area are limited to a maximum of 2,126 dwelling units, which are all to be located within the Cuneo Residential Service Area and Cuneo Expanded Residential Service Area.

c. The Village has requested modifications to the Cuneo Service Area and an increase of the extent of services to be provided to residential units within the Cuneo Service Area as expanded from 2,126 dwelling units to **[2,391]** dwelling units, which latter number includes 265 dwelling units to be hereafter constructed in the Cuneo Intersection Service Area described in Section Two of this Second Amendment.

d. Subject to the terms and conditions of this Second Amendment, the County agrees to expand the Cuneo Service Area and to increase the extent of County sewer and water service for residential dwelling units within such expanded service area from 2,126 dwelling units to **[2,391]** dwelling units.

**SECTION TWO: Amendment to Section 2.17.** Section 2.17 of the Sewer and Water Agreement is hereby amended in its entirety, so that said Section 2.17 shall hereafter be and read as follows:

2.17 **Cuneo Service Area**

The entire Cuneo Property, excepting only that portion of the Cuneo Property, consisting of a strip of land running parallel to, and abutting, the south side of the EJ&E Railroad Right-of-way between Lake View Parkway and Butterfield Road, which is to be legally described on Exhibit A to be attached to this Agreement pursuant to Section 9.12 of this Agreement, and which is generally depicted on the Cuneo Service Area Map attached hereto as Exhibit B (the "Strip"). The Strip is not part of the Cuneo Service Area. The Cuneo Service Area is composed of the following ~~four~~ **five** services areas:

- A. **Cuneo Commercial Service Area.** The area designated and outlined on Exhibit 1-A to this ~~First~~ **Second** Amendment hereto as the area within the Cuneo Service Area, consisting of approximately ~~427.7~~ **72.7** acres, to be developed for Retail Commercial, office, and hotel uses.
- B. **Cuneo Residential Service Area.** The area designated and outlined on Exhibit 1-A to this ~~First~~ **Second** Amendment as the area within the Cuneo Service Area, consisting of approximately 931 acres, developed for residential, recreational, and other similar uses.
- C. **Cuneo Museum Service Area.** The area designated and outlined on Exhibit 1-A to this ~~First~~ **Second** Amendment, which contains approximately 44 acres located south of the EJ&E Railroad right-of-way and directly west of and along Milwaukee Avenue. The final boundaries of the Cuneo

Museum Service Area shall be as approved by the Village as part of the Planned Unit Development (“PUD”) applicable to the Cuneo Expanded Residential Service Area. The Cuneo Museum Service Area shall be devoted to the Cuneo Museum and uses related thereto as may be authorized under the applicable zoning.

- D. **Cuneo Expanded Residential Service Area.** The area designated and outlined on Exhibit 1-A to this **Second** Amendment, which contains approximately 53 acres located south of the EJ&E Railroad right-of-way and directly west of and along Milwaukee Avenue. The final boundaries of the Cuneo Expanded Residential Service Area shall be as approved by the Village as part of the PUD applicable to the Cuneo Expanded Residential Service Area, which is devoted to the development of not more than 128 dwelling units and related accessory and recreational uses permitted under the PUD.

- E. Cuneo Intersection Service Area. The area designated and outlined on Exhibit 1-A attached to this Second Amendment as the area within the Cuneo Service Area, consisting of approximately 55 acres, to be developed with: (i) not more than [265] dwelling units and related accessory and recreational uses permitted under the Village’s zoning regulations, provided however that no residential use shall be permitted on the Cuneo Intersection Service Area unless it is approved by the Village as part of a mixed use planned development with not less than [260,000] gross square feet of commercial development; and (ii) not more than [285,000] gross square feet of commercial development. For purposes of the Cuneo Intersection**

**Service Area, “commercial development” shall mean a development consisting of any permitted or special use approved by the Village and identified in Exhibit 2 attached to this Second Amendment.**

**SECTION THREE: Amendment to Section 5.3.** Section 5.3 of the Sewer and Water Agreement is hereby amended in its entirety, so that said Section 5.3 shall hereafter be and read as follows:

**5.3 Limitations on County Service.**

Notwithstanding any other provision of this Agreement, the right of the Village and of the Customers in the Cuneo Service Area to receive Sanitary Sewer and Water Supply Service from the County, and the County’s obligation to provide Sanitary Sewer and Water Supply Services within the Cuneo Service Area, shall be subject to the following limitations and conditions:

- (a) The total number of residential dwelling units receiving Sanitary Sewer and Water Supply Service within the Cuneo Service Area shall not exceed **[2,391]. A maximum of** ~~All such 2,126 residential dwelling units shall~~ **may** be located within the Cuneo Residential Service Area or the Cuneo Expanded Residential Service Area. **Not more than [265] additional residential units may be located within the Cuneo Intersection Service Area.**
- (b) The total amount of Sewage delivered to the Cuneo Sewage Collection Facilities from within the Cuneo Commercial Service Area shall not exceed ~~3400~~ **1,960** P.E. Service within the Cuneo Commercial Service Area shall be limited to Retail Commercial, office, and hotel uses. The Cuneo Commercial Service Area shall not exceed ~~127.7~~ **72.7** acres.
- (b-1) The total amount of Sewage delivered to the Cuneo Sewage Collection Facilities from within the Cuneo Intersection Service Area shall not exceed 1,440 P.E. Service within the Cuneo Intersection Service Area shall be limited in the manner set forth in Section 2.17.E of the Second Amendment to this Agreement. The Cuneo Intersection Service Area shall not exceed 55 acres.**
- (c) Water Supply Service within the Cuneo Service Area shall be commensurate with the aforesaid levels of Sanitary Sewer Service.
- (d) Except with respect to the Cuneo Expanded Residential Service Area and the Cuneo Museum Service Area, the number, size, and location of all points of connection between the Cuneo Sewage Collection Facilities and

the County-Vernon Hills Interceptors and between the Cuneo Water Distribution Facilities and the County-Vernon Hills Waterworks System shall be as shown on Exhibits C, D, E, F, G, H, and I attached hereto or as otherwise approved or required by the County.

- (e) Neither the Village nor any Customer within the Cuneo Service Area shall discharge any Industrial Waste to the County-Vernon Hills Sewerage System, and the County shall not be required to accept any Industrial Waste from the Cuneo Service Area.
- (f) The Sanitary Sewer and Water Supply Services to be provided by the County pursuant to this Agreement shall be on the first come-first served basis and within the limits of available capacity.
- (g) The Sanitary Sewer and Water Supply Services to be provided by the County pursuant to this Agreement shall be subject to the County Sewer and Water Ordinances and all other applicable laws, ordinances, rules, and regulations, including any Pretreatment standards.
- (h) The Sanitary Sewer and Water Supply Services to be provided by the County pursuant to this Agreement shall be subject to all other terms and conditions of this Agreement.
- (i) The total amount of Sewage delivered to the Cuneo Sewage Collection Facilities from within the Cuneo Museum Service Area shall not exceed 100 P.E. Service within the Cuneo Museum Service Area shall be limited to the Cuneo Museum and the educational and other permitted uses authorized under the PUD for the Cuneo Museum Service Area. All existing septic systems within the Cuneo Museum Service Area, if any, shall be discontinued and connected to the Cuneo Sewage Collection Facilities within 24 months after the execution of this First Amendment.
- (j) Sanitary Sewer and Water Supply Services to the Cuneo Expanded Residential Service Area and the Cuneo Museum Service Area shall be further conditioned as set forth in Section Four of this First Amendment.
- (k) **Sanitary Sewer and Water Supply Services to the Cuneo Intersection Service Area shall be further conditioned as set forth in Section Four of this Second Amendment.**

**SECTION FOUR: Conditions on Amendments with Respect to the Cuneo Intersection Service Area.** With respect to the provision of any Sanitary Sewer or Water Supply Services within the Cuneo Intersection Service Area, the following terms and conditions must be satisfied:

- (a) Notwithstanding anything to the contrary in Section 5.3 of the Sewer and Water Agreement, the number, size, and location of all points of connection between the Cuneo Sewage Collection Facilities and the County-Vernon Hills Interceptors and between the Cuneo Water Distribution Facilities and the County-Vernon Hills Waterworks System shall be subject to the review and written approval of the County's Director of Public Works. Provided that the points of connection are in substantial conformance with the Preliminary Engineering Plan attached as Exhibit 3 to the Second Amendment, the review and written approval of the County Engineer required in this Section 4(a) shall not be unreasonably withheld, conditioned, or delayed.
- (b) The provisions of Sections 3.1 and 3.2 of the Original Sewer and Water Agreement shall be modified only with respect to Sanitary Sewer or Water Supply Services within the Cuneo Intersection Service Area as follows:
- i. The work schedules referenced in Section 3.1.A of the Original Sewer and Water Agreement shall have no applicability;
  - ii. The "Master Letter of Credit" referenced in Section 3.2.A of the Original Sewer and Water Agreement shall not apply to work related to the Sanitary Sewer or Water Supply Services within the Cuneo Intersection Service Area, but any such work will be required to provide security as required by the County Sewer and Water Ordinances; and
  - iii. The Village shall cause the work related to the Sanitary Sewer and Water Supply Services within the Cuneo Intersection Service Area to be commenced within two years after the date of this Second Amendment; provided, however, that, unless otherwise authorized in writing by the County, no Sanitary Sewer and Water Supply Services shall be available to the Cuneo Intersection Service Area until

such work has been fully permitted, approved by, dedicated to, and accepted by the County.

**SECTION FIVE: Amendment to Section 9.2.** Section 9.2, entitled "Exhibits," of Article IX, entitled "Legal Relationships and Requirements," of the Original Sewer and Water Agreement is hereby amended in its entirety, so that said Section shall hereafter be and read as follows:

9.2 **Exhibits.**

Exhibits A through and including I attached to this Agreement, and Exhibits 1-A, **2 through and including 3** attached to the ~~First~~ **Second** Amendment to this Agreement, are, by this reference, incorporated into and made a part of this Agreement. To the extent of any inconsistency between Exhibit 1-A to the ~~First~~ **Second** Amendment and any other Exhibit to the Agreement, Exhibit 1-A **to the Second Amendment** shall control. **Exhibit 1-A to the Second Amendment hereby supersedes Exhibit 1-A to the First Amendment.**

**SECTION SIX: Continuing Effect.** Except as amended in this Second Amendment, the Sewer and Water Agreement shall remain in full force and effect and shall be enforceable according to its terms.

**SECTION SEVEN: Effective Date; Counterparts.** This Second Amendment shall be effective upon its approval and execution by duly authorized representatives of the County and the Village. This Second Amendment may be executed in multiple counterparts, with each set of executed signature pages being deemed an original of this Second Amendment.

**[END OF TEXT; SIGNATURES TO FOLLOW ON NEXT PAGE]**

IN WITNESS WHEREOF, the County and the Village have, by their duly authorized officers, set their hands and affixed their seals on the date first above written.

**COUNTY OF LAKE**

**VILLAGE OF VERNON HILLS**

BY: \_\_\_\_\_  
Chairman, Lake County Board

BY: \_\_\_\_\_  
Village President

ATTEST:

ATTEST:

\_\_\_\_\_  
County Clerk

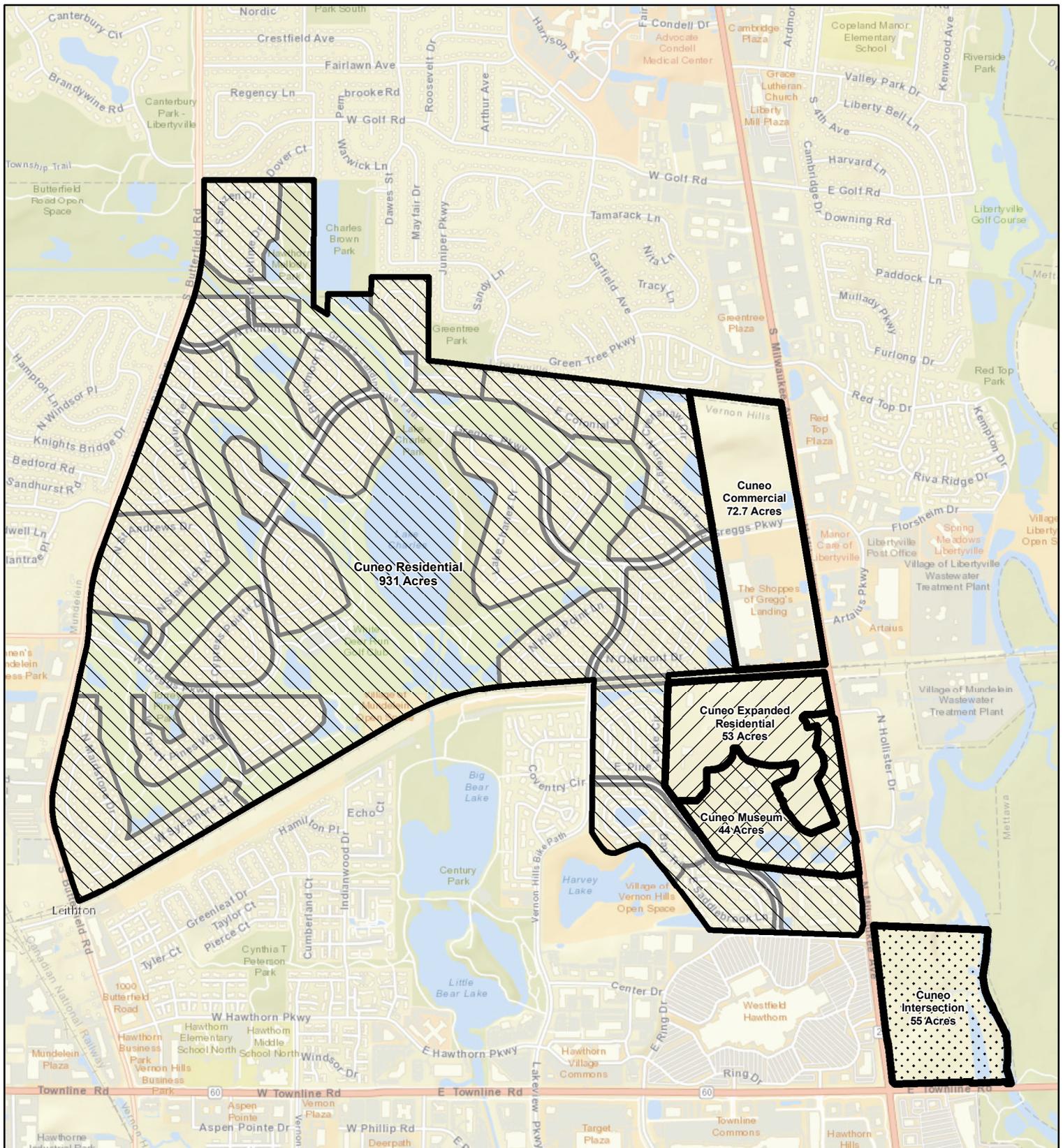
\_\_\_\_\_  
Village Clerk

(SEAL)

(SEAL)

**EXHIBIT 1-A**

**Cuneo Service Area Map**



**EXHIBIT 1-A  
CUNEO SERVICE AREA MAP**

-  Cuneo Residential Service Areas - 931 Acres
-  Cuneo Commercial Service Areas - 72.7 Acres
-  Cuneo Museum Service Area - 44 Acres
-  Cuneo Expanded Residential Service Area - 53 Acres
-  Cuneo Intersection Service Area - 55 Acres



**EXHIBIT 2**

**Commercial Development Uses for the Cuneo Intersection Service Area**

## EXHIBIT 2 – Commercial Development Uses

This exhibit identifies the Permitted and Special Uses deemed acceptable on the Subject Property. Any uses deemed similar and compatible to the listed Permitted or Special Uses shall be an acceptable Permitted or Special Use as appropriate. If a proposed use is deemed similar and compatible to a listed Permitted Use then the use shall be permitted. If a proposed use is deemed similar and compatible to a listed Special Use then the Special Use procedure set forth in the Village Zoning Ordinance shall be followed but notice of the Special Use process shall be provided to Lake County on the same terms as other notices required by the Zoning Ordinance. In the event that a use is proposed that is not similar and compatible to a listed Permitted or Special Use then a text amendment procedure set forth in the Village Zoning Ordinance shall be followed but notice of the text amendment process shall be provided to Lake County on the same terms as other notices required by the Zoning Ordinance. Notwithstanding the foregoing, this Agreement shall not be required to be amended in either event.

Notwithstanding anything in the foregoing paragraph or any other provision in this Exhibit, no use shall be allowed that, if such property were unincorporated, would be subject to Chapter 113 (Adult Use Licensing) of the Lake County Code (or any successor adult use licensing provision of the County).

### Sec. 13.2. - Permitted uses.

- 13.2.2.1. Antique shops;
- 13.2.2.2. Art and school supply stores;
- 13.2.2.3. Art galleries;
- 13.2.2.4. Bakeries, provided that all goods produced on the premises are sold at retail on the premises;
- 13.2.2.5. Banks and savings and loan associations, but not including drive-in facilities;
- 13.2.2.6. Barber and beauty shops;
- 13.2.2.7. Bicycle shops;
- 13.2.2.8. Book and stationery stores;
- 13.2.2.9. Camera and photographic supply stores;
- 13.2.2.10. Candy, confectionery and ice cream stores;
- 13.2.2.11. Carpet, flooring and rug stores;
- 13.2.2.12. China and glassware stores;
- 13.2.2.13. Clothes pressing establishments;
- 13.2.2.14. Coin and philatelic stores;
- 13.2.2.15. Drugstores and pharmacies;
- 13.2.2.16. Dry cleaners and laundries, but not a central plant serving more than one retail outlet;

- 13.2.2.17. Electrical and household appliance stores;
- 13.2.2.18. Florist shop;
- 13.2.2.19. Foodstores, delicatessens, grocery stores, supermarkets;
- 13.2.2.20. Furniture stores;
- 13.2.2.21. Furrier shops;
- 13.2.2.22. Gift shops;
- 13.2.2.23. Hardware stores;
- 13.2.2.24. Hobby and craft stores;
- 13.2.2.25. Interior decorating shops;
- 13.2.2.26. Jewelry stores, including watch, clock and jewelry repair;
- 13.2.2.27. Leather goods and luggage stores;
- 13.2.2.28. Locksmith shop;
- 13.2.2.29. Meat markets;
- 13.2.2.30. Medical and/or dental offices;
- 13.2.2.31. Music stores;
- 13.2.2.32. Office supply stores;
- 13.2.2.33. Optical shops;
- 13.2.2.34. Paint and wallpaper stores;
- 13.2.2.35. Photographic studios;
- 13.2.2.36. Health club;
- 13.2.2.37. Professional and general offices;
- 13.2.2.38. Radio, T.V., hi-fi and record stores;
- 13.2.2.39. Restaurants, including fast food and carry-out, but excluding dancing, the serving of alcoholic beverages, drive-thru and drive-in restaurants;
- 13.2.2.40. Schools; music, dancing, business, martial arts studios;
- 13.2.2.41. Shoe, clothing and hat repair shops;
- 13.2.2.42. Shoe stores;
- 13.2.2.43. Sporting goods stores;
- 13.2.2.44. Retail tailor and dressmaking shops;

- 13.2.2.45. Toy stores;
- 13.2.2.46. Travel bureaus;
- 13.2.2.47. Variety stores;
- 13.2.2.48. Wearing apparel shops;
- 13.2.2.49. Accessory uses, subject to the provisions of Article Four;
- 13.2.2.50. Off-street parking facilities as required or permitted by Article Nineteen;
- 13.2.2.51. Coffee shops;
- 13.2.2.52. Health or day spa.

Sec. 13.3. - Special uses.

13.3.0. Amusement, recreation and training for adults.

[Subject to the following:]

1. All activities must be conducted indoors.
2. No such activities in this use will be listed under any other special use in the Vernon Hills Zoning Ordinance.
3. All activities in this special use will be in the B-1, General Business District.
4. Alcohol may be provided, subject to receipt of the necessary permits and licenses.

13.3.1. Arcade for electronic games;

13.3.2. Animal clinic;

13.3.3. Animal hospital;

13.3.4. Any public building erected or leased by any department of a municipality, county, state or federal government;

13.3.5. Any building erected or leased by any public utility (light, gas, telephone, water, sewer) for use as a branch office and distribution center;

13.3.6. Automobile service station and/or mini-mart and/or automobile laundry;

13.3.7. Cocktail lounge or package liquor store;

13.3.8. Convalescent care facility;

13.3.9. Day care centers and nursery schools;

13.3.10. Drive-in banks, savings and loan associations, and currency exchanges;

13.3.11. Equipment rental;

13.3.12. Funeral parlors;

- 13.3.13. General retail sales;
- 13.3.14. Gunsmiths and gun shops;
- 13.3.15. Hotels or motor hotels;
- 13.3.16. Reserved;
- 13.3.17. Reserved;
- 13.3.18. Pet shops;
- 13.3.19. Restaurants serving alcoholic beverages;
- 13.3.20. Restaurants: drive-in, drive-thru;
- 13.3.21. Day camps and overnight camps operated in conjunction with a day camp;
- 13.3.22. Commercial picnic grounds, including the serving, but not sale, of alcoholic beverages, and related activities;
- 13.3.23. Bowling facilities;
- 13.3.24. Landscape, construction and architectural offices and yard provided [proper] screening for storage areas is provided and that no retail sales of material or related products shall take place on said premises;
- 13.3.25. Children's recreation and fitness facilities;
- 13.3.26. Entertainment uses, with or without alcohol service and including movie theaters, concert or music halls;
- 13.3.27. Reserved;
- 13.3.28. Warehouse retail facility;
- 13.3.29. Billiard facilities;
- 13.3.30. Houses of worship, convents, rectories, parsonages, parish houses and monasteries, including nursery schools sponsored by and operated within the sponsor's buildings;
- 13.3.31. Hourly drop-off childcare facilities operated within an enclosed retail shopping center, where parents or custodians of the supervised children remain on the premise and are readily available;
- 13.3.32. Automobile rental/leasing establishment;
- 13.3.33. Temporary use of a trailer or modular units to accommodate a financial institution with or without drive-through facilities, subject to the standards set forth in Article Eighteen;
- 13.3.34. Medical cannabis cultivation centers; subject to the regulations contained in Section 4.15 et seq.
- 13.3.35. Automobile repair service establishment.

**EXHIBIT 3**

**Preliminary Engineering Plan**



**EXHIBIT 2**

Legal Description of Cuneo Intersection Property

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 33 AND THE SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EASTERLY OF THE EASTERLY LINE OF MILWAUKEE AVENUE (AS WIDENED), WESTERLY OF THE CENTER LINE OF THE DES PLAINES RIVER, SOUTHERLY OF A LINE WHICH RUNS FROM A POINT 11.85 CHAINS SOUTH OF THE CENTER POST OF SECTION 34 TO A POINT 9.09 CHAINS SOUTH OF THE CENTER POST OF SECTION 33, AND NORTH OF THE NORTHERLY LINE OF STATE ROUTE 60, (AS WIDENED), IN LAKE COUNTY, ILLINOIS.

**EXHIBIT 3**

Amended and Restated Declaration of Protective Covenants,  
Conditions, and Restrictions for the Cuneo Intersection Commercial  
Property Now to Be Known as the Cuneo Intersection Property

Prepared by, and after recording,  
return to:

Victor P. Filippini, Jr.  
Filippini Law Firm LLP  
909 Grove Street, Suite 220  
Evanston, Illinois 60201  
(312) 300-6554

AMENDED AND RESTATED DECLARATION OF  
PROTECTIVE COVENANTS, CONDITIONS, AND RESTRICTIONS  
FOR THE CUNEO INTERSECTION PROPERTY

This declaration of protective covenants, conditions, and restrictions, made and executed effective this \_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_, by Mellody Farm LLC ("**Declarant**").

WITNESSETH

WHEREAS, Declarant is the owner of the real property legally described in Exhibit A of this Declaration (referred to herein as the "**Cuneo Intersection Property**"); and

WHEREAS, the Cuneo Intersection Property has previously been made subject to that certain "Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo Intersection Commercial Property," made and effective as of June 7, 1996, and recorded in the Recorder's Office of Lake County on June 7, 1996 as document no. 3835076 (the "**1996 Declaration**") by The Cuneo Foundation, an Illinois not-for-profit corporation (the "**Original Declarant**"); and

WHEREAS, since the recording of the 1996 Declaration, Declarant has succeeded to the Original Declarant's fee simple interest in, and is the current owner of, the Cuneo Intersection Property; and

WHEREAS, Clause V.D of the 1996 Declaration authorizes the Declarant to amend the 1996 Declaration, provided that the Village and the County (as hereinafter defined) approve such amendment to the 1996 Declaration; and

WHEREAS, the Declarant, the Village, and the County desire to amend and restate the covenants, restrictions, reservations, undertakings and agreements set forth in the 1996 Declaration to permit certain revised uses for the Cuneo Intersection Property that are proper and appropriate given current planning, development, and land use objectives. In recognition of

the change in use, this Declaration shall now be referred to as the “Cuneo Intersection Property Covenant” and the affected property shall be known as the “Cuneo Intersection Property”; and

WHEREAS, Declarant is desirous of subjecting the Cuneo Intersection Property to the conditions, covenants, restrictions, reservations, undertakings, and agreements hereinafter set forth (sometimes hereinafter collectively referred to as the “**Covenants**”),

WHEREAS, each and all of the Covenants is and are intended to be, and by this Declaration shall be made, binding upon the Cuneo Intersection Property and upon each Owner of any part thereof and every other party having any interest therein, and

WHEREAS, each and all of the Covenants is and are intended to, and by this Declaration shall, from and after the date of recording, be made to inure to the benefit of and run with and bind the Cuneo Intersection Property, and each and every part thereof, and shall replace and supersede those covenants, restrictions, reservations, undertakings and agreements set forth in the 1996 Declaration;

NOW, THEREFORE, Declarant hereby declares that: the Cuneo Intersection Property, and each and every part thereof, is, and shall be, held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of this Declaration and the Covenants; the Covenants shall run with and bind the Cuneo Intersection Property and be binding on all parties presently having or hereafter acquiring any right, title, or interest in the Cuneo Intersection Property, or any part thereof and their successors and assigns; and the Covenants shall inure to the benefit of each and every present and future Owner of the Cuneo Intersection Property or any part thereof, all as more fully set forth in the following Clauses:

#### CLAUSE I

##### PROPERTY SUBJECT TO AND BENEFITING FROM THIS DECLARATION

The Cuneo Intersection Property to be held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of the Declaration and the Covenants is located entirely within the Village of Vernon Hills and Lake County, Illinois, and is more particularly and legally described in Exhibit A attached hereto and incorporated herein by this reference.

#### CLAUSE II

##### GENERAL PURPOSES OF THIS DECLARATION

The Cuneo Intersection Property is to be held, transferred, sold, conveyed, used, and occupied subject to the terms and conditions of this Declaration and the Covenants to ensure the proper use and appropriate development and improvement of the Cuneo Intersection Property and every part thereof.

CLAUSE III  
DEFINITIONS

BUILDING. Any structure intended or used for the shelter, housing, or enclosure of any Person, animal, or chattel.

COUNTY. The County of Lake, an Illinois body politic and corporate.

DECLARANT. Melody Farm LLC, a Delaware limited liability company

DWELLING UNIT. One or more rooms originally designed, subsequently altered, or used for living quarters for one Family, but excluding rooms designed, intended, and used exclusively as hotel or motel rooms for transient guests.

FAMILY. One or more natural persons each related to the other by blood, marriage, or legal adoption, or any other group of persons defined as a family in the codes and ordinances of the County or the Village.

OWNER. The Person or Persons whose estates or interests, individually or collectively, aggregate fee simple ownership of all or any portion of the Cuneo Intersection Property. "Owner" shall specifically include, but shall not be limited to, each and any beneficiary of any title-holding land trust, controlling shareholder of any corporation, or partner of any partnership holding legal title to all or any portion of the Cuneo Intersection Property. "Owner" shall mean and refer to the Declarant as to all or any portion of the Cuneo Intersection Property that is owned by the Declarant or by any nominee or agent of the Declarant. "Owner" shall not, however, notwithstanding any applicable provision of any mortgage, mean or refer to a mortgagee or any other Person having an interest in any such portion of the Cuneo Intersection Property merely as security for the performance of an obligation unless and until such mortgagee or other holder of a security interest has acquired title pursuant to foreclosure or by deed in lieu of foreclosure.

PERSON. A natural person, partnership, trustee, corporation, or other legal entity capable of holding legal title to real property.

RESIDENTIAL BUILDING. Any Building containing one or more Dwelling Units.

RETAIL COMMERCIAL. Any permitted or special use identified in Exhibit B to this Agreement

VILLAGE. The Village of Vernon Hills, an Illinois municipal corporation.

CLAUSE IV  
SPECIFIC COVENANTS AND RESTRICTIONS

RESIDENTIAL USE RESTRICTED. The Cuneo Intersection Property shall not be developed with more than **[265]** Dwelling Units; provided however that no residential use shall

be permitted unless it is approved by the Village as part of a mixed use planned development with not less than [260,000] gross square feet of Retail Commercial development.

## CLAUSE V

### GENERAL PROVISIONS

A. TERM. This Declaration and the Covenants shall continue and be binding in perpetuity commencing from the date of recording of the Declaration with the Recorder of Deeds of Lake County, Illinois.

B. NATURE AND SURVIVAL OF OBLIGATION. The Covenants herein set forth shall run with the land and bind the Cuneo Intersection Property and Declarant, its successors, grantees, and assigns, and all parties claiming by, through, or under them. Only the County, the Village and the Declarant (and not the successors, grantees and/or assigns of the Declarant) shall each have an independent right to sue for an obtain a prohibitive or mandatory injunction, or any other equitable remedy to prevent the breach, or to enforce the observance, of the Covenants and the terms and conditions of this Declaration, in addition to the right to bring an action for damages. This covenant is not intended to, nor does it, create any third party beneficiaries, nor does it grant any equitable rights of enforcement beyond the Village, County, or Declarant.

C. ABATEMENT OF VIOLATIONS. If there shall be any structure or use on the Cuneo Intersection Property that is and remains in violation of the Covenants, or any of them, or of any of the other terms and conditions of this Declaration, for a period of 30 days after receipt by the Owner of the portion of the Cuneo Intersection Property on which such structure is located or use is occurring, of written notice of such violation from the Declarant, the Village, or the County, then the Declarant (but not any successor, grantee, and/or assign of the Declarant), the Village, or the County, as the case may be, collectively or individually, or Persons authorized by them, or any one of them, shall have, in addition to the foregoing rights, the right to enter upon the Cuneo Intersection Property and to summarily abate or remove such violative structure or use at the expense of the Owner, and such entry and abatement or removal shall not be deemed a trespass.

D. AMENDMENT OF COVENANTS. This Declaration and the Covenants shall not be modified, revoked, amended, or supplemented in whole or in part unless done with prior written approval of the Village, the County and, so long as the Declarant is an Owner, the Declarant pursuant to resolutions duly adopted by their respective corporate authorities.

E. COVENANTS AND LIENS SUBORDINATE TO MORTGAGES. All Covenants, liens, and other provisions herein set forth shall be subject to and subordinate to all mortgages or deeds of trust in the nature of a mortgage now or hereafter executed encumbering any portion of the Cuneo Intersection Property. None of said Covenants, liens, or other provisions shall supersede or in any way reduce the security or affect the validity of any such mortgage or deed of trust in the nature of a mortgage. However, if any such portion of the Cuneo Intersection Property is acquired in lieu of foreclosures, or is sold under foreclosure of any mortgage or under the provision of any deed of trust in the nature of a mortgage, or under judicial sale, any purchaser at such sale, his or its grantees, heirs, personal representatives, successors, or assigns shall hold any and all of such portions of the Cuneo Intersection Property so purchased subject to the Covenants and the provisions of this Declaration.

F. SEVERABILITY. If a court of competent jurisdiction shall hold invalid or unenforceable any part of any Covenant or other provision contained in this Declaration, such holding shall not impair, invalidate, or otherwise affect the remainder of this Declaration or any other Covenant, all of which shall remain in full force and effect.

G. WAIVER. In no event shall the failure of Declarant, the Village, the County, or any other Person to enforce any of the Covenants or any of the other terms and conditions of this Declaration, as to any violation be deemed to be a waiver of the right to do so as to any other payment from Declarant, the Village, the County, or any other Person.

H. VILLAGE AND COUNTY ORDINANCES. The Declarant's or any Owner's compliance with the provisions of any Village or County ordinances, rule, or regulation shall not necessarily be deemed to constitute compliance with this Declaration or the Covenants, and the Declarant and any such Owner must also comply with this Declaration and the Covenants to the extent they are more restrictive of the development and use to be allowed on the Cuneo Intersection Property.

***[Signature pages to follow.]***



**Acknowledgement, Approval, and Acceptance by Village**

The undersigned, being duly authorized representatives of the Village of Vernon Hills, Lake County, Illinois (the "**Village**"), does hereby acknowledge, approve, and accept by and on behalf of the Village that the foregoing "Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo Intersection Property" is a proper and acceptable amendment to the "Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo Intersection Commercial Property," made and effective as of June 7, 1996, and recorded in the Recorder's Office of Lake County on June 7, 1996 as document no. 3835076 by The Cuneo Foundation, an Illinois not-for-profit corporation.

**VILLAGE OF VERNON HILLS**

Date: \_\_\_\_\_

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

Its \_\_\_\_\_

**Acknowledgement, Approval, and Acceptance by County**

The undersigned, being duly authorized representatives of the County of Lake, Illinois (the "**County**"), does hereby acknowledge, approve, and accept by and on behalf of the County that the foregoing "Amended and Restated Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo Intersection Property" is a proper and acceptable amendment to the "Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo Intersection Commercial Property," made and effective as of June 7, 1996, and recorded in the Recorder's Office of Lake County on June 7, 1996 as document no. 3835076 by The Cuneo Foundation, an Illinois not-for-profit corporation.

**COUNTY OF LAKE**

Date: \_\_\_\_\_

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

Its \_\_\_\_\_

Prepared by:

Victor P. Filippini, Jr.  
Filippini Law Firm LLP  
909 Grove Street, Suite 220  
Evanston, Illinois 60201  
(312) 300-6554

After recording, return to:

Victor P. Filippini, Jr.  
Filippini Law Firm LLP  
990 Grove Street, Suite 220  
Evanston, Illinois 60201  
(312) 300-6554

**Exhibit A**

**Legal Description of CUNEO INTERSECTION PARCEL  
(prepared January 22, 1996)**

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 33 AND THE SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EASTERLY OF THE EASTERLY LINE OF MILWAUKEE AVENUE (AS WIDENED), WESTERLY OF THE CENTER LINE OF THE DES PLAINES RIVER, SOUTHERLY OF A LINE WHICH RUNS FROM A POINT 11.85 CHAINS SOUTH OF THE CENTER POST OF SECTION 34 TO A POINT 9.09 CHAINS SOUTH OF THE CENTER POST OF SECTION 33, AND NORTH OF THE NORTHERLY LINE OF STATE ROUTE 60, (AS WIDENED), IN LAKE COUNTY, ILLINOIS.

**Exhibit B**

**Retail Commercial Uses**

## EXHIBIT B – Retail Commercial Uses

This exhibit identifies the Permitted and Special Uses deemed acceptable on the Subject Property. Any uses deemed similar and compatible to the listed Permitted or Special Uses shall be an acceptable Permitted or Special Use as appropriate. If a proposed use is deemed similar and compatible to a listed Permitted Use then the use shall be permitted. If a proposed use is deemed similar and compatible to a listed Special Use then the Special Use procedure set forth in the Village Zoning Ordinance shall be followed but notice of the Special Use process shall be provided to Lake County on the same terms as other notices required by the Zoning Ordinance. In the event that a use is proposed that is not similar and compatible to a listed Permitted or Special Use then a text amendment procedure set forth in the Village Zoning Ordinance shall be followed but notice of the text amendment process shall be provided to Lake County on the same terms as other notices required by the Zoning Ordinance. Notwithstanding the foregoing, this Agreement shall not be required to be amended in either event.

Notwithstanding anything in the foregoing paragraph or any other provision in this Exhibit, no use shall be allowed that, if such property were unincorporated, would be subject to Chapter 113 (Adult Use Licensing) of the Lake County Code (or any successor adult use licensing provision of the County).

### Sec. 13.2. - Permitted uses.

- 13.2.2.1. Antique shops;
- 13.2.2.2. Art and school supply stores;
- 13.2.2.3. Art galleries;
- 13.2.2.4. Bakeries, provided that all goods produced on the premises are sold at retail on the premises;
- 13.2.2.5. Banks and savings and loan associations, but not including drive-in facilities;
- 13.2.2.6. Barber and beauty shops;
- 13.2.2.7. Bicycle shops;
- 13.2.2.8. Book and stationery stores;
- 13.2.2.9. Camera and photographic supply stores;
- 13.2.2.10. Candy, confectionery and ice cream stores;
- 13.2.2.11. Carpet, flooring and rug stores;
- 13.2.2.12. China and glassware stores;
- 13.2.2.13. Clothes pressing establishments;
- 13.2.2.14. Coin and philatelic stores;
- 13.2.2.15. Drugstores and pharmacies;
- 13.2.2.16. Dry cleaners and laundries, but not a central plant serving more than one retail outlet;

- 13.2.2.17. Electrical and household appliance stores;
- 13.2.2.18. Florist shop;
- 13.2.2.19. Foodstores, delicatessens, grocery stores, supermarkets;
- 13.2.2.20. Furniture stores;
- 13.2.2.21. Furrier shops;
- 13.2.2.22. Gift shops;
- 13.2.2.23. Hardware stores;
- 13.2.2.24. Hobby and craft stores;
- 13.2.2.25. Interior decorating shops;
- 13.2.2.26. Jewelry stores, including watch, clock and jewelry repair;
- 13.2.2.27. Leather goods and luggage stores;
- 13.2.2.28. Locksmith shop;
- 13.2.2.29. Meat markets;
- 13.2.2.30. Medical and/or dental offices;
- 13.2.2.31. Music stores;
- 13.2.2.32. Office supply stores;
- 13.2.2.33. Optical shops;
- 13.2.2.34. Paint and wallpaper stores;
- 13.2.2.35. Photographic studios;
- 13.2.2.36. Health club;
- 13.2.2.37. Professional and general offices;
- 13.2.2.38. Radio, T.V., hi-fi and record stores;
- 13.2.2.39. Restaurants, including fast food and carry-out, but excluding dancing, the serving of alcoholic beverages, drive-thru and drive-in restaurants;
- 13.2.2.40. Schools; music, dancing, business, martial arts studios;
- 13.2.2.41. Shoe, clothing and hat repair shops;
- 13.2.2.42. Shoe stores;
- 13.2.2.43. Sporting goods stores;
- 13.2.2.44. Retail tailor and dressmaking shops;

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- 13.2.2.45. Toy stores;
- 13.2.2.46. Travel bureaus;
- 13.2.2.47. Variety stores;
- 13.2.2.48. Wearing apparel shops;
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- 13.2.2.50. Off-street parking facilities as required or permitted by Article Nineteen;
- 13.2.2.51. Coffee shops;
- 13.2.2.52. Health or day spa.

Sec. 13.3. - Special uses.

13.3.0. Amusement, recreation and training for adults.

[Subject to the following:]

1. All activities must be conducted indoors.
2. No such activities in this use will be listed under any other special use in the Vernon Hills Zoning Ordinance.
3. All activities in this special use will be in the B-1, General Business District.
4. Alcohol may be provided, subject to receipt of the necessary permits and licenses.

13.3.1. Arcade for electronic games;

13.3.2. Animal clinic;

13.3.3. Animal hospital;

13.3.4. Any public building erected or leased by any department of a municipality, county, state or federal government;

13.3.5. Any building erected or leased by any public utility (light, gas, telephone, water, sewer) for use as a branch office and distribution center;

13.3.6. Automobile service station and/or mini-mart and/or automobile laundry;

13.3.7. Cocktail lounge or package liquor store;

13.3.8. Convalescent care facility;

13.3.9. Day care centers and nursery schools;

13.3.10. Drive-in banks, savings and loan associations, and currency exchanges;

13.3.11. Equipment rental;

13.3.12. Funeral parlors;

- 13.3.13. General retail sales;
- 13.3.14. Gunsmiths and gun shops;
- 13.3.15. Hotels or motor hotels;
- 13.3.16. Reserved;
- 13.3.17. Reserved;
- 13.3.18. Pet shops;
- 13.3.19. Restaurants serving alcoholic beverages;
- 13.3.20. Restaurants: drive-in, drive-thru;
- 13.3.21. Day camps and overnight camps operated in conjunction with a day camp;
- 13.3.22. Commercial picnic grounds, including the serving, but not sale, of alcoholic beverages, and related activities;
- 13.3.23. Bowling facilities;
- 13.3.24. Landscape, construction and architectural offices and yard provided [proper] screening for storage areas is provided and that no retail sales of material or related products shall take place on said premises;
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- 13.3.26. Entertainment uses, with or without alcohol service and including movie theaters, concert or music halls;
- 13.3.27. Reserved;
- 13.3.28. Warehouse retail facility;
- 13.3.29. Billiard facilities;
- 13.3.30. Houses of worship, convents, rectories, parsonages, parish houses and monasteries, including nursery schools sponsored by and operated within the sponsor's buildings;
- 13.3.31. Hourly drop-off childcare facilities operated within an enclosed retail shopping center, where parents or custodians of the supervised children remain on the premise and are readily available;
- 13.3.32. Automobile rental/leasing establishment;
- 13.3.33. Temporary use of a trailer or modular units to accommodate a financial institution with or without drive-through facilities, subject to the standards set forth in Article Eighteen;
- 13.3.34. Medical cannabis cultivation centers; subject to the regulations contained in Section 4.15 et seq.
- 13.3.35. Automobile repair service establishment.

**EXHIBIT 4**  
Authorized Uses

## EXHIBIT 4 – Authorized Uses

This exhibit identifies the Permitted and Special Uses deemed acceptable on the Subject Property. Any uses deemed similar and compatible to the listed Permitted or Special Uses shall be an acceptable Permitted or Special Use as appropriate. If a proposed use is deemed similar and compatible to a listed Permitted Use then the use shall be permitted. If a proposed use is deemed similar and compatible to a listed Special Use then the Special Use procedure set forth in the Village Zoning Ordinance shall be followed but notice of the Special Use process shall be provided to Lake County on the same terms as other notices required by the Zoning Ordinance. In the event that a use is proposed that is not similar and compatible to a listed Permitted or Special Use then a text amendment procedure set forth in the Village Zoning Ordinance shall be followed but notice of the text amendment process shall be provided to Lake County on the same terms as other notices required by the Zoning Ordinance. Notwithstanding the foregoing, this Agreement shall not be required to be amended in either event.

Notwithstanding anything in the foregoing paragraph or any other provision in this Exhibit, no use shall be allowed that, if such property were unincorporated, would be subject to Chapter 113 (Adult Use Licensing) of the Lake County Code (or any successor adult use licensing provision of the County).

### Sec. 13.2. - Permitted uses.

- 13.2.2.1. Antique shops;
- 13.2.2.2. Art and school supply stores;
- 13.2.2.3. Art galleries;
- 13.2.2.4. Bakeries, provided that all goods produced on the premises are sold at retail on the premises;
- 13.2.2.5. Banks and savings and loan associations, but not including drive-in facilities;
- 13.2.2.6. Barber and beauty shops;
- 13.2.2.7. Bicycle shops;
- 13.2.2.8. Book and stationery stores;
- 13.2.2.9. Camera and photographic supply stores;
- 13.2.2.10. Candy, confectionery and ice cream stores;
- 13.2.2.11. Carpet, flooring and rug stores;
- 13.2.2.12. China and glassware stores;
- 13.2.2.13. Clothes pressing establishments;
- 13.2.2.14. Coin and philatelic stores;
- 13.2.2.15. Drugstores and pharmacies;
- 13.2.2.16. Dry cleaners and laundries, but not a central plant serving more than one retail outlet;

- 13.2.2.17. Electrical and household appliance stores;
- 13.2.2.18. Florist shop;
- 13.2.2.19. Foodstores, delicatessens, grocery stores, supermarkets;
- 13.2.2.20. Furniture stores;
- 13.2.2.21. Furrier shops;
- 13.2.2.22. Gift shops;
- 13.2.2.23. Hardware stores;
- 13.2.2.24. Hobby and craft stores;
- 13.2.2.25. Interior decorating shops;
- 13.2.2.26. Jewelry stores, including watch, clock and jewelry repair;
- 13.2.2.27. Leather goods and luggage stores;
- 13.2.2.28. Locksmith shop;
- 13.2.2.29. Meat markets;
- 13.2.2.30. Medical and/or dental offices;
- 13.2.2.31. Music stores;
- 13.2.2.32. Office supply stores;
- 13.2.2.33. Optical shops;
- 13.2.2.34. Paint and wallpaper stores;
- 13.2.2.35. Photographic studios;
- 13.2.2.36. Health club;
- 13.2.2.37. Professional and general offices;
- 13.2.2.38. Radio, T.V., hi-fi and record stores;
- 13.2.2.39. Restaurants, including fast food and carry-out, but excluding dancing, the serving of alcoholic beverages, drive-thru and drive-in restaurants;
- 13.2.2.40. Schools; music, dancing, business, martial arts studios;
- 13.2.2.41. Shoe, clothing and hat repair shops;
- 13.2.2.42. Shoe stores;
- 13.2.2.43. Sporting goods stores;
- 13.2.2.44. Retail tailor and dressmaking shops;

{00013495}

- 13.2.2.45. Toy stores;
- 13.2.2.46. Travel bureaus;
- 13.2.2.47. Variety stores;
- 13.2.2.48. Wearing apparel shops;
- 13.2.2.49. Accessory uses, subject to the provisions of Article Four;
- 13.2.2.50. Off-street parking facilities as required or permitted by Article Nineteen;
- 13.2.2.51. Coffee shops;
- 13.2.2.52. Health or day spa.

Sec. 13.3. - Special uses.

13.3.0. Amusement, recreation and training for adults.

[Subject to the following:]

1. All activities must be conducted indoors.
2. No such activities in this use will be listed under any other special use in the Vernon Hills Zoning Ordinance.
3. All activities in this special use will be in the B-1, General Business District.
4. Alcohol may be provided, subject to receipt of the necessary permits and licenses.

13.3.1. Arcade for electronic games;

13.3.2. Animal clinic;

13.3.3. Animal hospital;

13.3.4. Any public building erected or leased by any department of a municipality, county, state or federal government;

13.3.5. Any building erected or leased by any public utility (light, gas, telephone, water, sewer) for use as a branch office and distribution center;

13.3.6. Automobile service station and/or mini-mart and/or automobile laundry;

13.3.7. Cocktail lounge or package liquor store;

13.3.8. Convalescent care facility;

13.3.9. Day care centers and nursery schools;

13.3.10. Drive-in banks, savings and loan associations, and currency exchanges;

13.3.11. Equipment rental;

13.3.12. Funeral parlors;

{00013495}

- 13.3.13. General retail sales;
- 13.3.14. Gunsmiths and gun shops;
- 13.3.15. Hotels or motor hotels;
- 13.3.16. Reserved;
- 13.3.17. Reserved;
- 13.3.18. Pet shops;
- 13.3.19. Restaurants serving alcoholic beverages;
- 13.3.20. Restaurants: drive-in, drive-thru;
- 13.3.21. Day camps and overnight camps operated in conjunction with a day camp;
- 13.3.22. Commercial picnic grounds, including the serving, but not sale, of alcoholic beverages, and related activities;
- 13.3.23. Bowling facilities;
- 13.3.24. Landscape, construction and architectural offices and yard provided [proper] screening for storage areas is provided and that no retail sales of material or related products shall take place on said premises;
- 13.3.25. Children's recreation and fitness facilities;
- 13.3.26. Entertainment uses, with or without alcohol service and including movie theaters, concert or music halls;
- 13.3.27. Reserved;
- 13.3.28. Warehouse retail facility;
- 13.3.29. Billiard facilities;
- 13.3.30. Houses of worship, convents, rectories, parsonages, parish houses and monasteries, including nursery schools sponsored by and operated within the sponsor's buildings;
- 13.3.31. Hourly drop-off childcare facilities operated within an enclosed retail shopping center, where parents or custodians of the supervised children remain on the premise and are readily available;
- 13.3.32. Automobile rental/leasing establishment;
- 13.3.33. Temporary use of a trailer or modular units to accommodate a financial institution with or without drive-through facilities, subject to the standards set forth in Article Eighteen;
- 13.3.34. Medical cannabis cultivation centers; subject to the regulations contained in Section 4.15 et seq.
- 13.3.35. Automobile repair service establishment.

**EXHIBIT 5**

Amendment to Vernon Hills Ordinance No. 96-30

**ORDINANCE NO. 2016-\_\_\_**

**AN ORDINANCE ADOPTING AN  
AMENDMENT TO ORDINANCE 96-30  
ACKNOWLEDGING LAKE COUNTY  
APPROVAL OF A VILLAGE FINAL PLAN  
APPROVAL FOR THE CUNEO  
INTERSECTION COMMERCIAL  
PROPERTY FOR A SPECIFIC MIXED  
USE COMMERCIAL AND RESIDENTIAL  
DEVELOPMENT**

**WHEREAS**, Ordinance 96-30 approved a preliminary plan of development for the Gregg's Landing Regional Planned Unit Development on the Cuneo Property;

**WHEREAS**, at the time of said approval, no development plans were submitted for any of the properties planned for commercial use on the Cuneo Properties;

**WHEREAS**, because no development plans were known, the Village agreed to grant Lake County approval review over any future Final Plan Approvals for the Cuneo Commercial Properties, if less restrictive than required by Ordinance 96-30, in which event prior written approval from the County was required before the Village would granting any such approvals;

**WHEREAS**, the Village now desires to amend Ordinance 96-30 by modifying the County's ability to approve final plans;

**WHEREAS**, an amendment to Ordinance 96-30 requires the advance written approval by the County;

**WHEREAS**, the County has agreed to allow the Village to amend Ordinance 96-30 to modify the County's final plan approval provided that certain specific development standards have been met;

**WHEREAS**, the County has provided its advance written approval of this proposed amendment.

**NOW, THEREFORE, BE IT ORDAINED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF VERNON HILLS, COUNTY OF LAKE AND STATE OF ILLINOIS:**

**SECTION I.** Pursuant to the Village of Vernon Hills Home Rule Powers the Village hereby adopts an amendment to Ordinance 96-30 by deleting the language in Section 9 of Ordinance 96-30 and replacing it with the following language such that Section 9 shall now read in its entirety as follows:

9. Future Amendments and Approvals. The Village shall not (i) grant Final Plan Approval, (ii) approve any subsequent amendment to this Ordinance or to the Ordinance granting Final Plan Approval (collectively "Ordinance Amendments"), or (iii) execute, seal, or stamp any plat of subdivision, or grant any other authorization or approval for

any work, development, or use of, on, or for (“Development Approval”) the Zale Development, Zale Property, or the Cuneo Commercial Properties, if such Final Plan Approval, Ordinance Amendments, or Development Approval would modify or amend, or in any way be less restrictive than, or in conflict with, any of the Land Management Standards unless the County has approved such Final Plan Approval, Ordinance Amendments, or Development Approval in advance in writing. Notwithstanding the foregoing, no County approval shall be required for any Final Plan Approval for that portion of the Cuneo Commercial Properties that is the Cuneo Intersection Commercial Property so long as such final plan does not depict or authorize more than 285,000 gross square feet of commercial development or more than 265 residential units; provided, however that no residential use shall be allowed unless such final plan also depicts and authorizes not less than 260,000 gross square feet of commercial development.

**SECTION II. SEVERABILITY.** In the event that any section, clause, provision, or part of this ordinance shall be found and determined to be invalid by a court of competent jurisdiction, all valid parts that are severable from the invalid parts shall remain in full force and effect. If any part of this ordinance is found to be invalid in any one or more of its several applications, all valid applications that are severable from the invalid applications shall remain in effect.

**SECTION IV. REPEAL AND SAVINGS CLAUSE.** All ordinances or parts of ordinances in conflict herewith are hereby repealed; provided, however, that nothing herein contained shall affect any rights, actions or causes of action which shall have accrued to the Village of Vernon Hills prior to the effective date of this ordinance.

**SECTION V. EFFECTIVE DATE.** This ordinance shall be in full force and effect from and after its passage, approval and publication as provided by law.

**SECTION VI. ORDINANCE NUMBER.** This ordinance shall be known as Ordinance Number 2016-\_\_\_\_.

Adopted by roll call vote as follows:

AYES:

NAYS:

ABSENT AND NOT VOTING:

---

Roger L. Byrne  
Village President

PASSED:

APPROVED:

PUBLISHED IN PAMPHLET FORM:

ATTEST:

---

John Kalmar  
Village Clerk

**EXHIBIT 6**  
Escrow Agreement

**ESCROW AGREEMENT**

**THIS AGREEMENT (“Escrow Agreement”)** is entered into as of the \_\_\_\_ day of \_\_\_\_\_, 201\_, by and among the **COUNTY OF LAKE (the “County”)**, the **VILLAGE OF VERNON HILLS (the “Village”)**, **MELLODY FARM LLC (the “Developer”)** and **CHICAGO TITLE INSURANCE COMPANY (“Escrow Agent”)**.

**WITNESSETH:**

**A.** The County, the Village and the Developer have entered into an intergovernmental agreement entitled, “INTERGOVERNMENTAL AGREEMENT BY AND BETWEEN COUNTY OF LAKE, VILLAGE OF VERNON HILLS, AND MELLODY FARM LLC REGARDING THE CUNEO INTERSECTION PROPERTY” dated as of \_\_\_\_\_, 2016 (the “**IGA**”), regarding the proposed development of the Cuneo Intersection Property, located in the Village of Vernon Hills, Lake County, Illinois, and legally described on Schedule 1 attached hereto and incorporated herein, (the “**Property**”). An executed copy of the IGA is attached to this Escrow Agreement as **Exhibit A**.

**B.** The Developer is the contract purchaser of the Property and proposes to cause it to be developed with a mixed use commercial and residential development (the “**Project**”), subject to approval by the Village.

**C.** Completion of the Project requires an amendment to certain terms and conditions of the “Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills” dated June 7, 1996, as previously amended by a First Amendment dated April 12, 2016, by and between the County and the Village, as more fully described in the IGA, which amendment shall be entitled, “SECOND AMENDMENT TO AGREEMENT FOR SANITARY SEWER AND WATER SUPPLY SERVICES TO THE CUNEO SERVICE AREA OF THE VILLAGE OF VERNON HILLS” (the “**Second Amendment**”).

**D.** Completion of the Project also requires a modification of certain restrictions set forth in that certain “Declaration of Protective Covenants, Conditions, and Restrictions for the Cuneo Intersection Commercial Property” dated as of June 7, 1996, as more fully described in the IGA, which modification shall be entitled, “AMENDED AND RESTATED DECLARATION OF PROTECTIVE COVENANTS, CONDITIONS AND RESTRICTIONS FOR THE CUNEO INTERSECTION PROPERTY” (the “**Amended Covenant**”).

**E.** The County, the Village and the Developer desire to enter into this Escrow Agreement to document the timing and conditions under which the Second Amendment and the Covenant shall be effective.

**AGREEMENT**

NOW, THEREFORE, for and in consideration of the foregoing, the parties hereto agree as follows:

1. **Recitals.** The recitals set forth above are an integral part of this Escrow Agreement and are incorporated herein by reference as though set forth in full herein.

2. Initial Deposits. The Escrow Agent acknowledges receipt of the following deposits, which are being made concurrently with the execution and delivery of this Escrow Agreement:

- (a) Two (2) originals of the Second Amendment, executed by the County and the Village.
- (b) One (1) original Amended Covenant that bears (i) the notarized signature of the Developer and (ii) the acknowledgement and approval of the County and the Village executed by their respective authorized representatives.

3. Subsequent Deposits. Subsequent to the date of this Escrow Agreement, the Village and the Developer shall make the following deposits (collectively, the “***Subsequent Deposits***”):

A. By the Village:

- 1. The Village Clerk of the Village shall deposit a certified copy of an ordinance adopted by the Village Board of the Village granting approval of a final planned unit development plat for the Property pursuant to Section 20.2 of the Vernon Hills Zoning Ordinance (which ordinance may be approved subject to final engineering approval) (the “***Final PUD Approval Ordinance***”).
- 2. A certification from the Village Clerk of the Village that the Final PUD Approval Ordinance has been delivered to the County Administrator of the County and setting forth the date and manner of such delivery (the “***Certificate of Service***”).

B. By the Developer:

- 1. The Developer shall deposit evidence, in the form of a recorded deed, or other form satisfactory to Escrowee, that the Developer has acquired record title to the Property.
- 2. The Developer shall deposit a deed (in recordable form reasonably acceptable to the Developer, the Village, and the County) conveying that portion of the Property authorized to be used for residential development (the “***Residential Parcel***”) to Melody Farm Residential Partners LLC (or a related entity that is approved by the Village Manager, which approval shall not be unreasonably withheld or delayed)(the “***Residential Developer***”) (the “***Residential Parcel Deed***”).
- 3. The Developer shall deposit a payment in the amount of \$1,370,726.00 as prepayment of the water and sewer connection fees for the Commercial Parcel (the “***Commercial Connection Fee Prepayment***”).

4. Disbursements.

A. Second Amendment, Amended Covenant, and Section 3.B(3-4) Deposits

1. Upon receipt of all of the Subsequent Deposits, but subject to the condition set forth in Section 4.A.2 of this Escrow Agreement, the Escrow Agent shall:

- (a) Record the Amended Covenant with the Lake County Recorder of Deeds.
- (b) Deliver by overnight express courier, one (1) original of the Second Amendment to the County.
- (c) Deliver by overnight express courier, one (1) original of the Second Amendment to the Village.
- (d) Deliver by overnight express courier, the Commercial Connection Fee Prepayment to the County.

2. The Escrow Agent shall not make any of the disbursements set forth in Section 4.A.1 of this Escrow Agreement in the event that the Escrow Agent receives from the County, on or before the date that is 10 days after the date that the Final PUD Approval Ordinance is given to the County (in accordance with Section 12 of the IGA) as set forth in the Certificate of Service as contemplated in Section 3.A.2 of this Escrow Agreement, a written statement executed by the County Administrator of the County stating that the County disagrees that the Final PUD Approval Ordinance conforms to the conditions set forth in Section 4.b of the IGA.

B. The Residential Parcel Deed

Immediately after the Escrow Agent records the Amended Covenant as provided in Section 4.A.1 (a) of this Escrow Agreement, and upon written notification from the Developer that the Developer has received the applicable purchase payment, the Escrow Agent shall cause title to the Residential Parcel to be conveyed to the Residential Developer by recording with the Lake County Recorder of Deeds the Residential Parcel Deed.

5. Outside Deadline. If the Escrow Agent is not in receipt of all of the Subsequent Deposits on or before the date that is one (1) calendar years after the Effective Date of the IGA (the “*Outside Deadline*”), the Escrow Agent shall return the Initial Deposits to the County and return the Subsequent Deposits, if any, to the Party responsible for such Subsequent Deposits. The Outside Deadline may be extended to a date agreed upon by the joint written direction of the Village of Vernon Hills, County Board Chair and the County Administrator of the County delivered to the Escrow Agent (with copies to the Village and the Developer) before the first anniversary of the Effective Date of the IGA. Upon the return of the Initial Deposits and Subsequent Deposits as provided in this Section 5, the Escrow Agent shall thereafter be relieved

of all liability to the County, the Village, and the Developer as the Escrow Agent under this Escrow Agreement.

6. Duties and Limitation of Liability of the Escrow Agent.

(a) The parties hereby appoint Chicago Title Insurance Company as the Escrow Agent hereunder, and Chicago Title Insurance Company accepts such appointment. The Escrow Agent shall have no liability to any party for its actions or inaction hereunder unless such action was taken in, or such inaction resulted from, gross negligence or bad faith. The Escrow Agent shall have the right to resign hereunder at any time upon thirty (30) days advance written notice to the County, the Village, and the Developer, in which event the Escrow Agent shall transfer the Initial Deposits and the Subsequent Deposits, if any, to a substitute Escrow Agent designated jointly by the County, the Village, and the Developer, and shall return any escrow fee collected to the Developer.

(b) The Escrow Agent shall not be bound by any modification of this Escrow Agreement or of any agreement incorporated by reference herein, unless there shall have been delivered to the Escrow Agent a written modification signed by all parties. No such modification shall, without the consent of the Escrow Agent, modify any of the provisions of this Escrow Agreement relating to the rights, obligations, or duties of the Escrow Agent.

(c) In the event any litigation commenced between the County, the Village, and the Developer with respect to the disbursement of the Initial Deposits or the Subsequent Deposits (together, the “*Deposits*”), the Escrow Agent shall have the right to deliver all Deposits then held by it under this Escrow Agreement into a court having applicable jurisdiction and to interplead the County, the Village, and the Developer, and thereafter the Escrow Agent shall be relieved of any liability to the County, the Village, and the Developer as the Escrow Agent under this Escrow Agreement. In any such event, any fees and expenses of the Escrow Agent shall be borne equally by the Developer and the Village. In no event shall the Escrow Agent be responsible for obtaining any given rate of interest with respect to any funds held by the Escrow Agent hereunder.

7. Fees of Escrow Agent. All fees of the Escrow Agent for the performance of its duties hereunder shall be paid by the Developer.

8. Notices. All notices required or permitted hereunder shall be sent by certified mail, return receipt requested, Federal Express or other comparable overnight delivery service, or by facsimile with electronic confirmation of receipt, and shall be addressed as follows:

County: County of Lake  
18 North County Street  
Waukegan, IL 60085  
Attn: County Administrator  
Facsimile: \_\_\_\_\_

and a copy to: Victor P. Filippini, Jr.  
Filippini Law Firm LLP  
909 Grove Street, Suite 220

Evanston, IL 60201  
Facsimile: 312-324-0668

Village: Village of Vernon Hills  
290 Evergreen Drive  
Vernon Hills, IL 60061  
Attn: Village Manager  
Facsimile: 847-367-0880

and a copy to: Robert C. Kenny  
Schain Banks  
70 West Madison Street Suite 5300  
Chicago, IL 60602  
Facsimile: \_\_\_\_\_

Developer: Melody Farm LLC  
c/o Regency Centers Acquisition, LLC  
1211 West 22<sup>nd</sup> Street, Suite 300  
Oak Brook, Illinois 60523  
ATTN: Matt Hendy  
Facsimile: 630-684-0225

and a copy to: Holland & Knight LLP  
131 S. Dearborn, 30<sup>th</sup> Floor  
Chicago, IL 60603  
Attention: Steven M. Elrod, Esq.  
Facsimile: (312) 578-6666

Escrow Agent: Chicago Title Insurance Company  
171 N. Clark Street  
Chicago, Illinois 60601  
Attention: \_\_\_\_\_  
Facsimile: \_\_\_\_\_

or to such other address or addresses of which the party(ies) may advise the other party(ies) from time to time pursuant to the provisions of this paragraph. Any such notice shall be deemed given on the date indicated on the return receipt or delivery service records as having been given, or on the date of electronic confirmation of a notice sent by telecopier, provided that a copy of such notice is sent by first class mail. Rejection or other refusal to accept or the inability to deliver because of a changed address of which no notice was given shall not invalidate the effectiveness of any notice, demand, request or other communication.

9. Miscellaneous.

(a) Successors and Assigns. This Escrow Agreement shall inure to the benefit of and be binding on the parties hereto and their respective heirs, personal representatives, successors and assigns.

(b) Applicable Law. This Escrow Agreement shall be governed by the laws of Illinois.

(c) Amendments. This Escrow Agreement may only be amended, supplemented, or terminated in writing, signed by all of the parties hereto. The parties agree that, for purposes of this Section 9(c), the Village Manager of the Village shall have the authority to approve amendments on behalf of the Village; and the County Administrator of the County shall have the authority to approve amendments on behalf of the County.

(d) Counterparts. This Escrow Agreement may be executed in any number of counterparts, each of which shall be an original and all of which together shall constitute but one and the same instrument.

(e) Further Assurances. Each party agrees to execute and deliver such other documents, instruments, certifications and agreements as reasonable or necessary to effectuate the purposes and intent of this Escrow Agreement.

IN WITNESS WHEREOF, the parties hereto have caused this instrument to be executed pursuant to due authority.

**VILLAGE OF VERNON HILLS**

**COUNTY OF LAKE**

By: \_\_\_\_\_  
Its Village President

By: \_\_\_\_\_  
Its Chairman

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**MELLODY FARM LLC,**  
a Delaware limited liability company

**ESCROW AGENT**

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

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

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

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

Date: \_\_\_\_\_

Date: \_\_\_\_\_

**SCHEDULE 1**

**Legal Description of Cuneo Intersection Property**

THAT PART OF THE SOUTHEAST QUARTER OF SECTION 33 AND THE SOUTHWEST QUARTER OF SECTION 34, TOWNSHIP 44 NORTH, RANGE 11, EAST OF THE THIRD PRINCIPAL MERIDIAN, LYING EASTERLY OF THE EASTERLY LINE OF MILWAUKEE AVENUE (AS WIDENED), WESTERLY OF THE CENTER LINE OF THE DES PLAINES RIVER, SOUTHERLY OF A LINE WHICH RUNS FROM A POINT 11.85 CHAINS SOUTH OF THE CENTER POST OF SECTION 34 TO A POINT 9.09 CHAINS SOUTH OF THE CENTER POST OF SECTION 33, AND NORTH OF THE NORTHERLY LINE OF STATE ROUTE 60, (AS WIDENED), IN LAKE COUNTY, ILLINOIS.

**EXHIBIT A**  
**Intergovernmental Agreement**

**EXHIBIT 7**

Application



**SANITARY SEWER / WATER PERMIT APPLICATION**

Date : \_\_\_\_\_

**Applicant Information :**

Applicant Name : \_\_\_\_\_  
Company Name (if applicable) : \_\_\_\_\_  
Mailing Address : \_\_\_\_\_  
City, State, ZIP : \_\_\_\_\_  
Phone : (\_\_\_\_) \_\_\_\_\_ Email : \_\_\_\_\_

**Site Information :**

Site Address : \_\_\_\_\_  
City, ZIP : \_\_\_\_\_  
Subdivision : \_\_\_\_\_  
Lot Description : \_\_\_\_\_  
Permanent Index Number (PIN) : \_\_\_\_\_

**Person or firm that will perform the proposed work :**

Name : \_\_\_\_\_  
Company Name (if applicable) : \_\_\_\_\_  
Mailing Address : \_\_\_\_\_  
City, State, ZIP : \_\_\_\_\_  
Phone : (\_\_\_\_) \_\_\_\_\_ Email : \_\_\_\_\_

**NOTE: A \$5000 License and Permit Bond is required for all contractors. Illinois state plumbing licenses and certificates of insurance liability are NOT sufficient.**

**Type of work to be performed (check all that apply) :**

- |   |   |
|---|---|
| <input type="checkbox"/> New connection to sewer system         | <input type="checkbox"/> New connection to water system         |
| <input type="checkbox"/> Repair existing sewer service line     | <input type="checkbox"/> Repair existing water service line     |
| <input type="checkbox"/> Disconnect existing sewer service line | <input type="checkbox"/> Disconnect existing water service line |
| <input type="checkbox"/> Reconnect existing sewer service line  | <input type="checkbox"/> Reconnect existing water service line  |
| <input type="checkbox"/> Increase size of water meter           | <input type="checkbox"/> Add second meter for irrigation system |

In consideration of the granting of any and all permits as a result of this application, the applicant agrees:

- To pay all fees & charges in accordance with the rate schedule established by the County.
- To notify the appropriate agency when the work is ready for inspection.
- To comply with county rules, regulations and ordinances governing sewer and water systems.
- To secure any necessary permits from the local highway authority (village, township, county, state, etc.) prior to performing any work within the road right-of-way.
- To secure a permit from the county or municipal building department if this application involves any alteration of the present plumbing within the building to a point five (5) feet outside the building in accordance with the Illinois State Plumbing Code.

**EXHIBIT 8**

Fee Exhibit



LEGEND

-  RETAIL = .10  
AREA = 175,680 S.F.
-  STRIP = .20  
AREA = 69,775 S.F.
-  RESTAURANT BY NUMBER OF SEATS  
AREA = 28,780 S.F.

SITE DATA

SITE AREA 2,329,153 S.F.  
(53.47 ACRES)

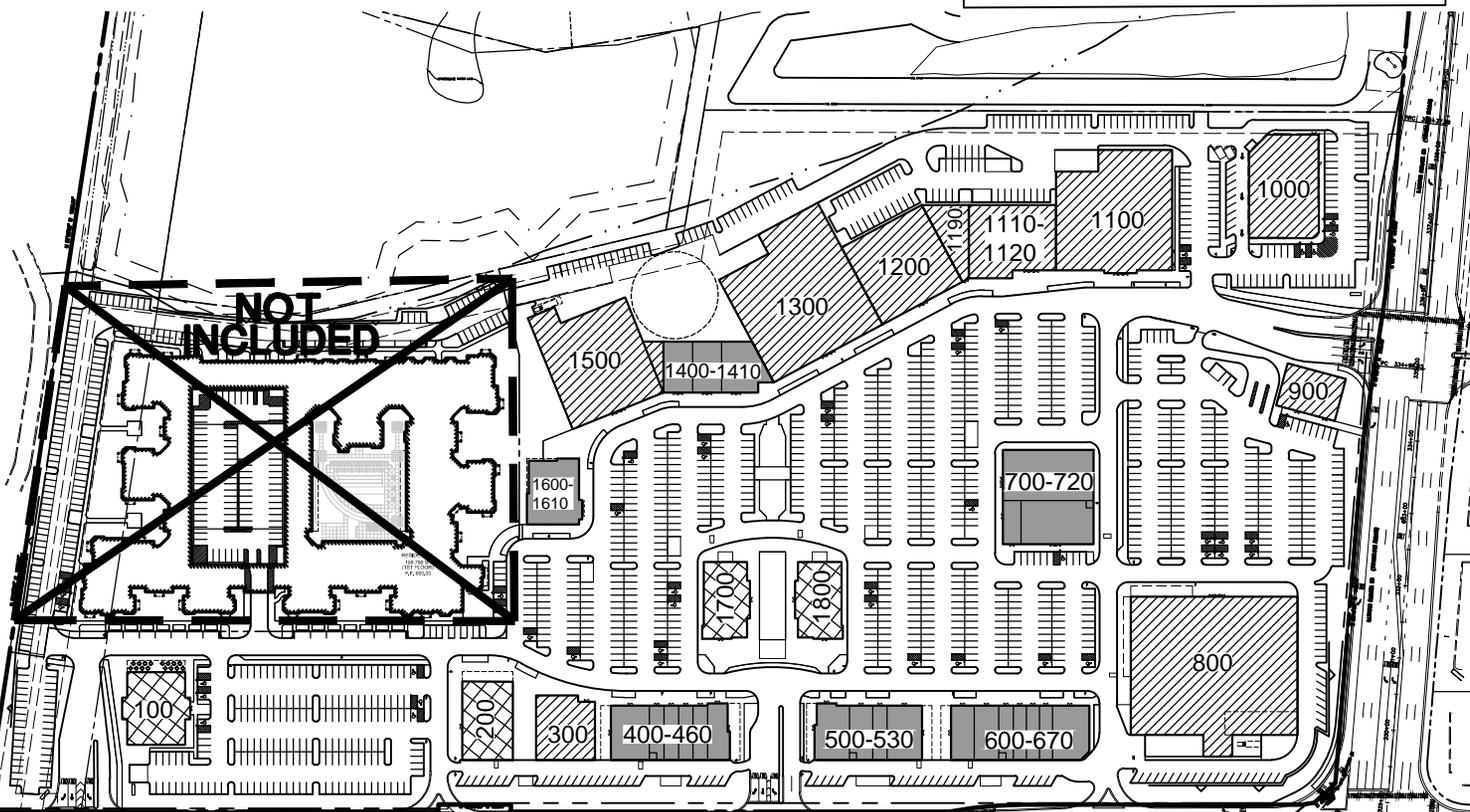
RETAIL SITE DATA:

- BUILDING 100 AREA 8,420 S.F.
- BUILDING 200 AREA 7,560 S.F.
- BUILDING 300 AREA 7,000 S.F.
- BUILDINGS 400-460 AREA 12,275 S.F.
- BUILDINGS 500-530 AREA 11,100 S.F.
- BUILDINGS 600-670 AREA 14,250 S.F.
- BUILDINGS 700-720 AREA 16,250 S.F.
- BUILDING 800 AREA 45,015 S.F.
- BUILDING 900 AREA 5,000 S.F.
- BUILDING 1000 AREA 13,225 S.F.
- BUILDING 1100 AREA 25,000 S.F.
- BUILDING 1110 AREA 5,424 S.F.
- BUILDING 1120 AREA 6,076 S.F.
- BUILDING 1190 AREA 3,900 S.F.
- BUILDING 1200 AREA 15,000 S.F.
- BUILDING 1300 AREA 30,000 S.F.
- BUILDINGS 1400-1410 AREA 9,500 S.F.
- BUILDING 1500 AREA 20,040 S.F.
- BUILDINGS 1600-1610 AREA 6,400 S.F.
- BUILDING 1700 AREA 6,400 S.F.
- BUILDING 1800 AREA 6,400 S.F.

TOTAL RETAIL AREA 274,235 S.F.

MAXIMUM S.F. 285,000 S.F.

ADDITIONAL RETAIL S.F. INCLUDED IN FEE CALCULATION 10,765 S.F.



**Manhard**  
CONSULTING LTD.

Professional Engineer  
Professional Surveyor  
Professional Geomatics Engineer  
Professional Environmental Engineer  
Professional Environmental Scientist  
Professional Environmental Planner  
Professional Environmental Analyst  
Professional Environmental Designer  
Professional Environmental Scientist  
Professional Environmental Planner  
Professional Environmental Analyst  
Professional Environmental Designer

MELLODY FARM - MIXED USE DEVELOPMENT  
VILLAGE OF VERNON HILLS, ILLINOIS  
LAKE COUNTY PUBLIC WORKS FEE EXHIBIT

PROJ. NO. 1000000000  
PROJ. ASSOC.  
DRAWN BY  
DATE  
SCALE  
SHEET



Department of Public Works  
 Peter E. Kolb, P.E.  
 Director

**Connection Fee Prepayment Calculation**  
 Mellody Farms Mixed Use Development  
 PW#2015.108  
 Vernon Hills, IL  
 PIN 11-34-300-013

650 Winchester Road  
 Libertyville, Illinois 60048  
 Phone 847-377-7500  
 Fax 847-377-7173

Prepared by: HLG Date: 8/19/16  
 Checked by: FJT Date: 8/19/16  
 Approved by: PMP Date: 8/19/16

Type(s) of Use:	Retail (Bldgs 300, 800, 900, 1000, 1100, 1110-1120, 1190, 1200, 1500, 1300, & 10,765 SF additional) .....	0.10	GPD / SF
	Strip Mall (Bldgs 400-600, 500-530, 600-670, 700-720, 1400-1410, & 1600-1610) .....	0.20	GPD / SF
	Restaurant (Bldg 100).....	2,500	GPD
	Restaurant (Bldg 200).....	3,750	GPD
	Restaurant (Bldg 1700).....	2,000	GPD
	Restaurant (Bldg 1800).....	2,000	GPD

Usage Estimate	Retail.....	186,445	SF @	0.10	GPD / SF =	18,644.50	GPD
	Restaurant.....	28,780	SF		=	10,250.00	GPD
	Strip Mall.....	69,775	SF @	0.20	GPD / SF =	13,955.00	GPD
		285,000	SF commercial			42,849.50	GPD

Population Equivalents ..... 42,849.50 GPD / (100 GPD / PE) = 428.50 PE

Residential Equivalents ..... 428.50 PE / (2.5 PE / RE) = 171.40 RE  
 Previously permitted loading..... 0.00 RE  
 Fees due for..... 171.40 RE

Water Meter Sizes .....	13	3/4" Domestic
.....	14	1" Domestic
.....	7	1.5" Domestic
.....	5	2" Domestic
Bldgs 400-460, 600-670, 800, & 1000 irrigation .....	4	1" Irrigation

Grease Trap Size for each restaurant..... 1,000 gallons minimum

Fire Protection Sprinkler System ..... 2,850 heads

**Applicable Fees:**

Water System Connection .....	171.40	RE X	\$2,250.00	per RE =	\$	385,650.00
Construction Water Use .....	171.40	RE X	\$50.00	per RE =	\$	8,570.00
Water Meter Fees <sup>1</sup> .....				3/4" Domestic -	\$	3,250.00
.....				1" Domestic -	\$	4,900.00
.....				1.5" Domestic -	\$	4,200.00
.....				2" Domestic -	\$	4,000.00
.....				1" Irrigation -	\$	1,400.00
Sanitary System Connection .....	171.40	RE X	\$5,540.00	per RE =	\$	949,556.00
Grease Trap Discharge License.....	10	@	\$100.00	each =	\$	1,000.00
Grease Trap Installation Permit.....	10	@	\$100.00	each =	\$	1,000.00
Construction Inspections .....				Water Improvements -	\$	3,900.00
.....				Sanitary Improvements -	\$	1,900.00
.....				Grease Trap -	\$	1,000.00
.....				Irrigation Meter -	\$	400.00

**Total of fees due to LCPW for permit issuance..... \$ 1,370,726.00**

Project Description: New construction of multi-use plaza including 14 buildings. Refer to intergovernmental agreements for details.  
 The above fee calculation expires 2 years from the execution date of the Second Amendment to the Agreement for Sanitary Sewer and Water Supply Services to the Cuneo Service Area of the Village of Vernon Hills.