

GLENBROOK HIGH SCHOOLS
Office of the Assistant Superintendent for Business Affairs
Regular Meeting Monday, April 23, 2012

TO: Dr. Michael Riggle

FROM: Hillarie Siena

DATE: April 23, 2012

**RE: Discussion: Cook County Class 7B Request – Anixter Real Estate
Incorporated (Village of Glenview)**

Attached is a Village of Glenview Board Report from the Glenview Village Board meeting held on April 17, 2012, regarding a request by Anixter Real Estate, Inc. for a Cook County Class 7B tax incentive. The request is relative to a proposed expansion of Anixter's existing facility located at 2591 Compass Road, Glenview.

The Cook County Class 7B program allows for commercial property to be treated as residential property for taxation purposes, for a period of up to thirteen years. A Class 7B designation is similar in structure to a Class 6B, with the exception that a 7B is non-renewable. The most recent Class 7B designation awarded by the Village of Glenview was to the Astellas project at Willow Road and I294. As per the Village of Glenview's general procedures, 7B tax incentive requests are forwarded for review and comment to the affected school and park districts. Although the Village of Glenview Board of Trustees is solely responsible for granting a 7B incentive, the Village actively seeks input from the impacted taxing districts.

Anixter plans to expand its existing facility by adding 60,000 square feet of office space onto what is currently adjacent vacant land. This expansion is expected to create approximately 150 new jobs. With the Class 7B classification, the developed property would generate an estimated \$1.3M in additional property taxes, of which roughly 1/3 or ≈\$400K would be allocated to District 225.

There are however, some special circumstances that should be noted. The Anixter property is located within the boundaries of the Glen TIF. This leads to a timing difference between the expiration of the TIF and the expiration of the Class 7B. If approved, the TIF will expire before the end of the Class 7B. What this means is that the value of the Class 7B property will be at a reduced level when the TIF district returns to the tax roles as new property. Upon subsequent expiration of the Class 7B, the true value of the Class 7B property would then return to the tax roles also as new property, allowing for full recapture of value, however deferred.

Should Cook County deny the application, the Village of Glenview is also considering an alternate plan. This alternate plan would sunset the incentive at the same time as the expiration of the TIF, generating the full value appreciation all at once. This would have no adverse impact upon District 225, but would result in an earlier distribution of the property taxes attributed to a growth in value.

District 225 appreciates the opportunity to review and comment on Cook County 7B Program requests. After meeting with the Village of Glenview and the developers, and after careful review of the positive impact of this project upon District 225, it is recommended that the Glenbrook Board of Education support Anixter's request for a Cook County 7B Program tax incentive.



The Village of
Glenview

Village Manager's Office

SUBJECT: Consideration of a Resolution to approve an economic incentive agreement with Anixter-Real Estate, Inc. and an Ordinance to designate 2591 Compass Road as property in need of economic development assistance (*waive administrative rules and adopt on first reading*)

AGENDA ITEM:

MEETING DATE: April 17, 2012

VILLAGE BOARD REPORT

TO: Village President and Board of Trustees

FROM: Don Owen, Deputy Village Manager (847) 904-4478

THROUGH: Todd Hileman, Village Manager

PURPOSE AND ACTION REQUESTED:

Staff requests Village Board consideration of a Resolution to approve an economic incentive agreement with Anixter-Real Estate, Inc. and an Ordinance to designate 2591 Compass Road as property in need of economic development assistance. *It is requested to waive the administrative rules and adopt the ordinance on first reading.*

BACKGROUND:

Anixter International was founded in Chicago in 1957 and is now a Fortune 500 company (ranked 414 in 2011) that is the leading global supplier of communications and security products, electrical and electronic wire and cable, fasteners, and other small components. Anixter has 7,900 employees with sales offices and distribution centers in 50 countries serving over 100,000 customers.

On April 16, 2002, the Village approved a \$2 million TIF incentive for Anixter to relocate their corporate headquarters building from Skokie, Illinois to the Prairie Glen Corporate Campus. Subsequently, an approximate 167,000 sf building was constructed and occupied in 2003 and now employs approximately 670 individuals. This facility produces approximately \$1 million in annual property taxes. Anixter has several other office locations in the Chicagoland region including Wood Dale and Morton Grove.

The regional office market continues to be weak due to high vacancy rates and further suffers in Cook County from higher property taxes than several of the surrounding counties such as Lake County and DuPage County. In order to compete for office uses, Glenview must provide cost-competitive options to supplement the amenities offered in the community, such as access to labor markets via the two commuter train locations and proximity to I-294, I-94, and O'Hare airport.

DISCUSSION:

Anixter is conducting a site search to accommodate growth in the company, with a goal of adding 60,000 square feet of office space in the Chicago area. This facility is expected to bring at least 150 additional jobs to Glenview, and Anixter has accepted employment benchmarks of 50 jobs by September 30, 2013 and 150 jobs by December 31, 2012. One of the sites under consideration is the 4-acre parcel adjacent and east of their current site, which is owned by Titan Development (*refer to Attachment 1 – Anixter Phase II Concept Plans*). This parcel was originally planned for a one-story medical/dental office building but has been vacant since marketing of The Glen commenced in 1998. Anixter has requested that the Village and other taxing jurisdictions consider property tax assistance in order for the Glenview site to be competitive with other potential locations for this expansion - in particular, Anixter’s Wood Dale facility. The Wood Dale site benefits from DuPage County property taxes which are less than half of Cook County taxes for similar office/industrial properties.

Following extensive discussions between Glenview and Anixter staff, it was determined that the most appropriate public assistance would be property tax reduction under the Class 7(b) of the Cook County Real Property Assessment Classification Ordinance (“7b”). Since a 7b requires review and approval of the Economic Development Advisory Committee of Cook County (EDAC), which has the authority to disapprove the incentive, an alternate TIF incentive providing property tax relief similar to a 7b is recommended as a backup plan should the 7b incentive be denied. An agreement has been drafted to provide the terms under which Glenview and Anixter will proceed (*refer to Attachment 2 – Agreement*).

INCENTIVE OPTIONS:

- I. *Cook County Class 7b incentive* (recently approved for the Astellas project). This is a 12-year property tax reduction program that presents a viable means to incentivize this expansion, which is consistent with the nature of the corporate park and would create a significant increase to the current tax base for the Tax Increment Financing (“TIF”) district at The Glen. The table below shows the current property taxes assuming the land remains vacant, and lists estimated property taxes if Anixter constructs the facility and is awarded a 7b incentive.

Year of Class 7b Incentive	Land Remains Vacant	Anixter Expands with 7b in place
2014	\$29,441	\$108,176
2015	\$29,580	\$110,340
2016	\$29,719	\$112,546
2017	\$29,858	\$114,797
2018	\$29,999	\$117,093
2019	\$30,140	\$119,435
2020	\$30,281	\$121,824
2021	\$30,424	\$124,260
2022 - End of TIF	\$30,567	\$126,745
2023	\$30,710	\$129,280
2024	\$30,855	\$197,799
2025	\$31,000	\$269,007

Anixter has agreed that they will not file a property tax protest that would result in property tax payments lower than the annual taxes listed below. Therefore, over the 12-year period, nearly \$1.3 million in additional property taxes would be generated on a parcel that has been vacant for over 15 years. For informational purposes, the 7b incentive provides the following property tax

reductions: Years 1-10 represent a 60% reduction in property taxes; Year 11 represents a 40% reduction in property taxes; and Year 12 represents a 20% reduction in property taxes. After the TIF expires, projected in 2022, the 7b incentive would be anticipated to extend for an additional three to four years depending on when the County establishes the first tax year.

Anixter intends to apply for the 7b immediately, and one of the requirements is that the local municipality approves an ordinance outlining the blighted conditions of the parcel and how this development meets the criteria for a 7b. Therefore, an ordinance is also attached for Board consideration. Anixter is seeking to break ground on the project by August, 2012 for occupancy by April, 2013.

- II. ***TIF Incentive.*** Due to the complexity of the Cook County Class 7b incentive program, it may take four to six months before it is known if this incentive is approved. Anixter must make a site decision by June, and therefore, to ensure the economics of the Glenview site are guaranteed, Anixter has requested that the Village agree to enter into an ***alternate TIF incentive equal to the 7b incentive*** that would be used only if the 7b incentive was not approved. The agreement states that the parties shall work in good faith to execute an alternate agreement that *“confers upon Anixter an economic benefit during the life of The Glen TIF District equivalent to the economic benefit expected to be received by Anixter from the Village and Impacted Taxing Jurisdictions had the 7(b) Incentive been approved by the Assessor and implemented, that would become operative should the Assessor deny Anixter’s application for the 7(b) Incentive or should the Parties not be satisfied that such approval will occur by June 15, 2012.”*

Manager Hileman has discussed this project and incentive alternatives with the core jurisdiction Superintendents and Executive Directors and has received general support to move forward.

BUDGET:

If this resolution, ordinance and recommendation are approved and a 7b is implemented, the County will provide reduced tax bills during the 12-year period for Anixter. If the 7b is not approved and the alternate TIF incentive is approved, the Village will provide annual TIF rebates in an amount equal to the 7b property tax reduction to Anixter following receipt of full property taxes to the TIF.

RECOMMENDATION:

Staff recommends that the Village Board authorize the Village President to execute the attached Resolution to approve an economic incentive agreement with Anixter-Real Estate, Inc. and an Ordinance to designate 2591 Compass Road as property in need of economic development assistance. ***It is requested to waive the administrative rules and adopt the ordinance on first reading.***

ATTACHMENTS:

1. Anixter Phase II Concept Plans
2. Anixter Incentive Agreement
3. Anixter Incentive Agreement Resolution
4. Anixter Ordinance

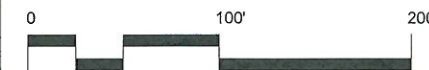


HEITMAN ARCHITECTS

565 PIERCE ROAD, SUITE 105
 ITASCA, ILLINOIS 60143
 TEL: 630.773.3551
 FAX: 630.773.3599

ANIXTER

Annex Building
 Glenview, Illinois



SITE TABULATIONS:

SITE AREA: 3.85 ACRES

BUILDING AREA	30,908 SF	1ST FLOOR OFFICE
PER ZONING:	30,908 SF	2ND FLOOR OFFICE
		61,815 SF

PARKING: 153 EXISTING CARS
 89 NEW CARS
 242 TOTAL CARS (3.9 CARS/1000 SF)

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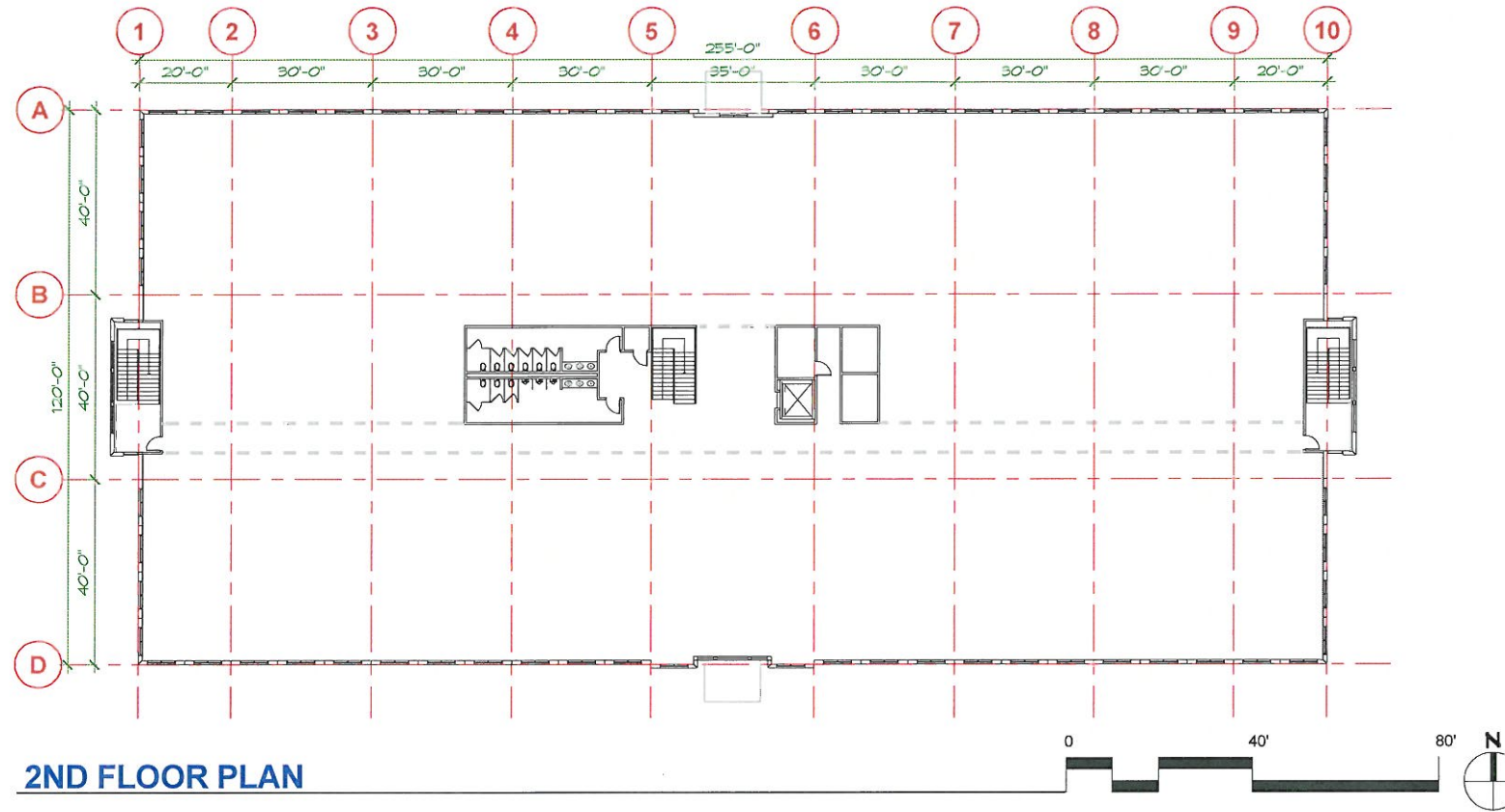


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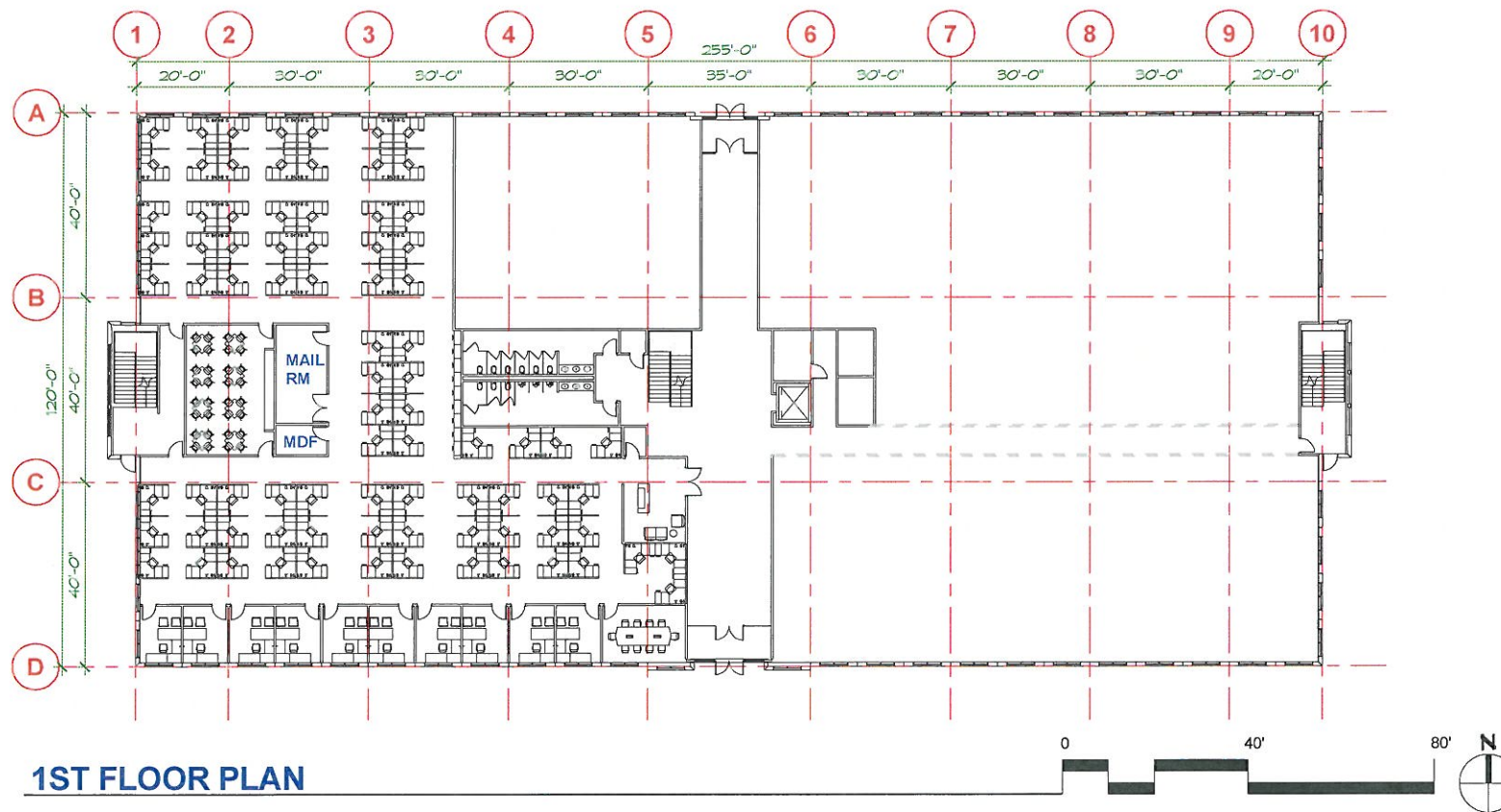
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2ND FLOOR PLAN



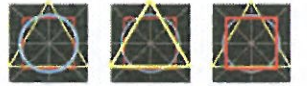
1ST FLOOR PLAN

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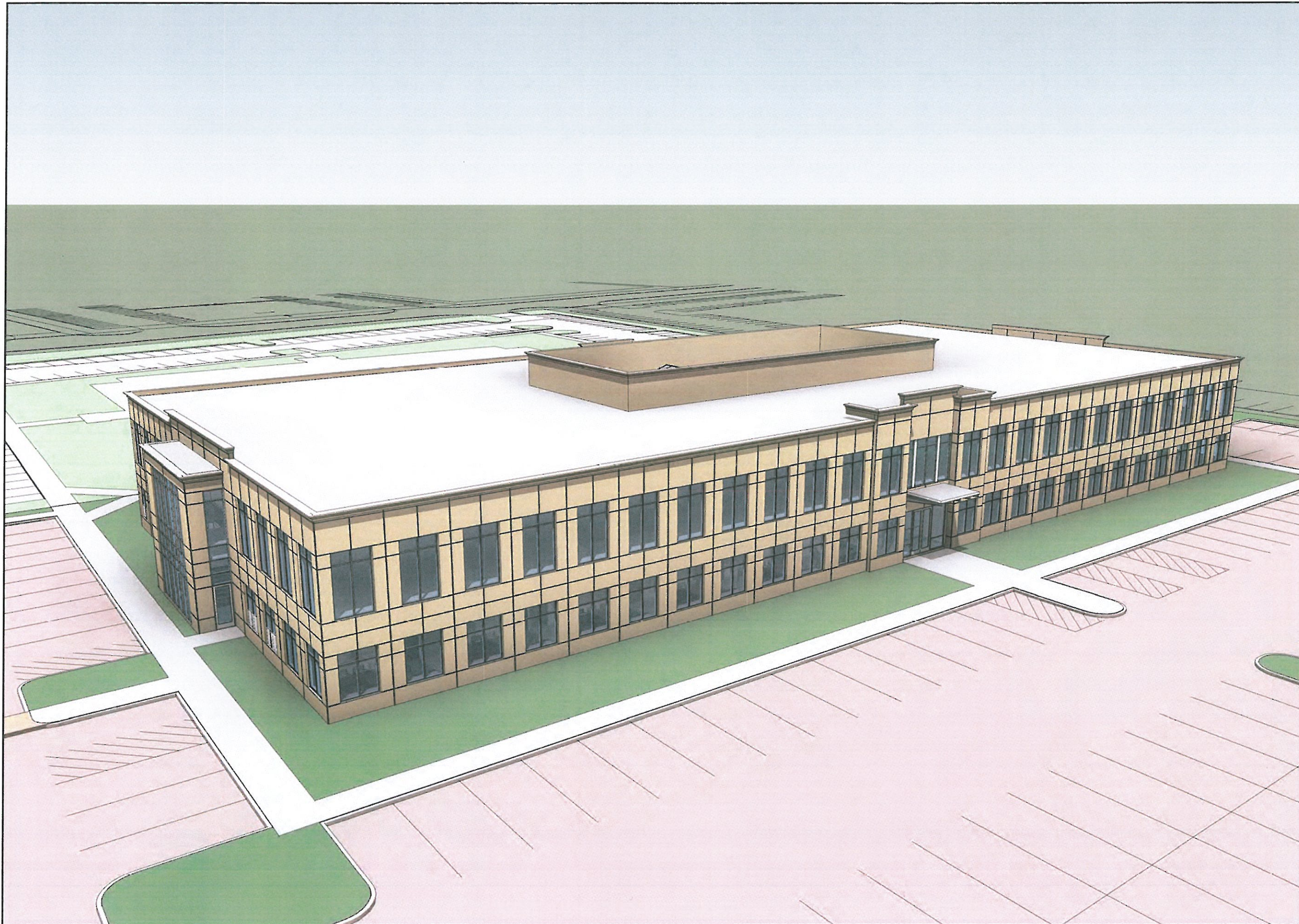
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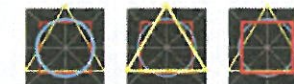
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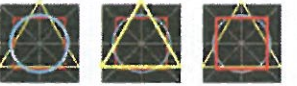
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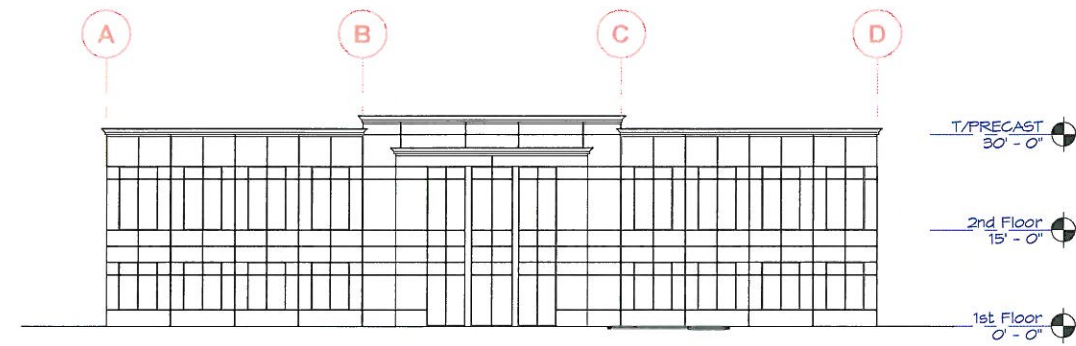
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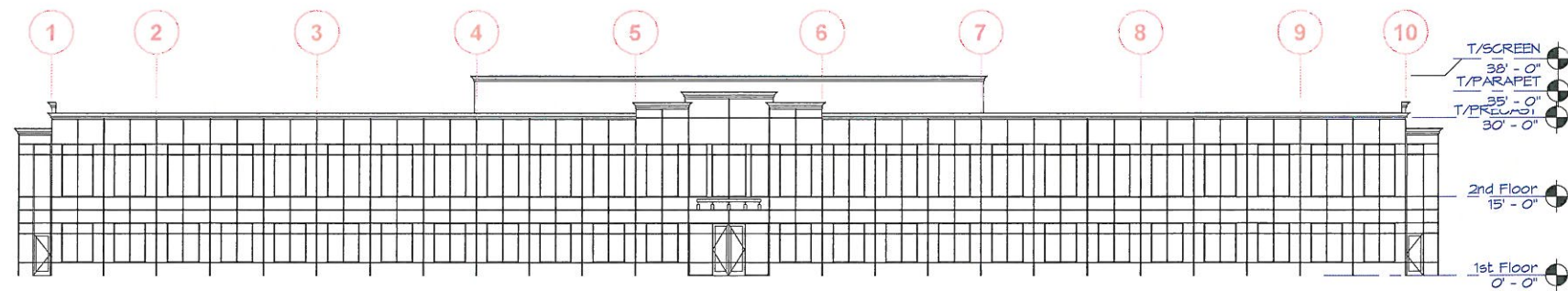
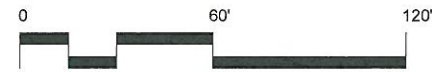


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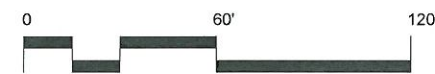
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WEST ELEVATION



SOUTH ELEVATION



ANIXTER

Annex Building
Glenview, Illinois

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AGREEMENT

THIS AGREEMENT (“**Agreement**”) is made and entered into as of the ___ day of _____, 2012, by and between the VILLAGE OF GLENVIEW, an Illinois home rule municipal corporation (the “**Village**”), ANIXTER-REAL ESTATE, INC., an Illinois corporation (“**Anixter-Real Estate**”). The Village and Anixter-Real Estate may be referred to individually herein as a “Party” and collectively as the “Parties”.

IN CONSIDERATION OF the recitals and mutual covenants and agreements set forth in this Agreement, the receipt and sufficiency of which are hereby acknowledged and agreed to by Anixter-Real Estate and the Village, the parties agree as follows:

RECITALS

A. The Village is a home rule unit of local government by virtue of the provisions of the Illinois Constitution of 1970.

B. Anixter-Real Estate is an Illinois corporation, and a subsidiary of Anixter Inc. and Anixter International Inc. (collectively, and together with their subsidiaries and affiliate companies, “**Anixter**”), the corporate headquarters of which are located at 2301 Patriot Boulevard in the Village of Glenview (the “**Existing Campus**”).

C. Anixter is seeking office space at which it intends to locate new and existing employees, and has identified several potential alternative locations, including a parcel of land located adjacent to and east of the Existing Campus, a legal description of which is attached hereto as Exhibit A (the “**Expansion Property**”), on which Anixter would construct or cause to be constructed an approximately 60,000 square foot office building (the “**New Facility**”; the Existing Campus and the New Facility are collectively referred to as the “**Anixter Glenview Campus**”). Anixter proposes occupy the Expansion Property and New Facility pursuant to a lease (the “**Lease**”) to be entered into with the owner of the Expansion Property.

D. Anixter, as the anticipated taxpayer of record for the Expansion Property, seeks the Village’s assistance in obtaining a tax incentive under Class 7(b) of the Cook County Real Property Assessment Classification Ordinance (the “**7(b) Incentive**”), in order to receive a reduced assessment level for the New Facility for real estate property tax purposes.

E. In order to encourage Anixter to construct, or cause to be constructed, the New Facility, the Village is willing to assist Anixter obtaining the 7(b) Incentive, provided it receives certain assurances from Anixter relating thereto, given that the construction of the New Facility and the expansion of Anixter’s corporate headquarters in the Village would be beneficial to the economic vitality of the Village.

Section 1. The foregoing recitals are hereby incorporated into this Agreement.

Section 2. The Village will take all reasonable steps necessary to assist and support Anixter in qualifying the New Facility for the 7(b) Incentive, such as taking legislative action required to allow Anixter to satisfy each of the eligibility requirements set forth in Section 74-65(a) of the Cook County Real Property Assessment Classification Ordinance (the “**Ordinance**”), including the adoption on or before May 1, 2012 of such ordinances and/or resolutions required under 74-65(b) of the Ordinance indicating the Village’s support for and consent to Anixter’s application for the 7(b) Incentive, and providing such cooperation and support as may be reasonably

required in order for Anixter to obtain the Cook County Assessor's certification of the New Facility as eligible for the 7(b) Incentive.

Section 3. In consideration for the Village's support for the 7(b) Incentive, as well as the support of those additional primary taxing jurisdictions impacted by such tax incentive (Glenbrook High School District No. 225, Glenview Public School District No. 34 and the Glenview Park District, to be called collectively the "**Impacted Taxing Jurisdictions**"), and as a condition precedent for any action by the Village in that regard, Anixter agrees to the following conditions:

(a) ***Building development and initial occupancy.*** Subject to the issuance of applicable building and related permits by the Village and other entities which have jurisdiction, Anixter will construct or cause to be constructed the New Facility, consisting of approximately 60,000 square feet in the aggregate. The New Facility shall be completed and available for initial occupancy by July 31, 2013; provided, however, that Anixter shall have the right, at its election, to extend this date by up to ninety (90) days.

(b) ***Employment Benchmarks.***

(i) ***Full Time Equivalent Positions.*** Full Time Equivalent ("**FTE**") positions shall be calculated for each fiscal year by accumulating the total hours paid in a calendar year to Anixter employees, contract workers, temporary employees and positions outsourced to third party service providers but housed and operated within the Anixter Glenview Campus (such as the mailroom function), and dividing this number by 2080 hours. The total hours paid shall include hours that would have been paid for a position, but were not paid due to a temporary vacancy in the position, if Anixter is able to demonstrate that active recruitment of an individual for such position occurred during the term of such vacancy.

(ii) ***Benchmark One.*** Anixter will locate 50 Full Time Equivalent ("**FTE**") positions, which are not located in the Village as of the date of this Agreement, to the Anixter Glenview Campus by September 30, 2013 ("**Benchmark One**").

(iii) ***Benchmark Two.*** Anixter will locate a total of one-hundred fifty (150) FTE positions (inclusive of the positions required by Benchmark One), which are not located in the Village as of the date of this Agreement, to the Anixter Glenview Campus by December 31, 2017 ("**Benchmark Two**").

(iv) ***Annual Certification.*** Within ninety (90) days after the end of each fiscal year, Anixter shall provide a written certification to the Village of the average number of FTE positions based at the Anixter Glenview Campus (the "**Annual Certification**") during the applicable fiscal year.

(v) ***Existing Anixter Employees.*** For purposes of determining compliance with Benchmark One and Benchmark Two, the total number of FTE positions calculated for the applicable calendar year shall be reduced by 731, being the number of FTE positions held by Anixter employees at the Existing Facility as of the date of this Agreement.

(c) ***Property Tax Appeals:*** Attached as Schedule 1 is an estimate of the annual property taxes corresponding to the Property Index Number ("**PIN**") applicable to the

Expansion Property and the New Facility (i.e., the total tax bill for the PIN) during each year that the 7(b) Incentive applies to such PIN (an “**Annual Tax Estimate**”), which is acceptable to the Village and the Impacted Taxing Jurisdictions. Anixter agrees that, with respect to any tax year in which the 7(b) Incentive is applied to the PIN, it will not file a property tax protest that would result in a property tax payment for the PIN that is lower than the applicable Annual Tax Estimate. In addition, the Village agrees that if the applicable assessment year’s projected tax liability is above the Annual Tax Estimate set forth on Schedule 1, the Village will not file an “Under-Valuation” complaint with respect thereto at the Board of Review. The information on Schedule 1 shall not be used for any purposes other than (i) as a limitation under this Agreement on Anixter’s right to object, appeal or challenge the property taxes for the PIN; and (ii) for calculating the Make Whole Payment (as defined below), and shall not be construed as evidence in connection with an undervaluation complaint filed by the Impacted Taxing Jurisdictions. Nothing herein shall prevent Anixter from seeking property tax relief in the event the New Facility is rendered partially or fully unusable due to casualty or other similar loss.

(d) **Alternate incentive.** Anixter and the Village acknowledge and agree that the disparity in property tax burden between Cook County and other counties such as DuPage County and Lake County is a material reason for the support of the Village and Impacted Taxing Jurisdictions for the 7(b) Incentive and that construction of the New Facility by Anixter is important to the economic vitality of the Village and the Impacted Taxing Jurisdictions. Anixter and the Village also acknowledge and agree that the approval of the 7(b) Incentive is based on the Assessor’s determination of compliance with a set of eligibility factors in the Ordinance and that a property tax incentive is essential for the success of the project. If it is determined by the Parties that the passage of the 7(b) Incentive is in jeopardy, Anixter and the Village shall in good faith prepare and, not later than June 15, 2012, execute an agreement, consistent with the terms and conditions of this Agreement, that confers upon Anixter an economic benefit during the life of The Glen TIF District equivalent to the economic benefit expected to be received by Anixter from the Village and Impacted Taxing Jurisdictions had the 7(b) Incentive been approved by the Assessor and implemented, that would become operative should the Assessor deny Anixter’s application for the 7(b) Incentive or should the Parties not be satisfied that such approval will occur by June 15, 2012.

Section 4. Anixter acknowledges that the support of the Village, as well as the support of the Impacted Taxing Jurisdictions, for the 7(b) Incentive is predicated upon Anixter’s compliance with the requirements set forth in this Agreement. Should Anixter fail to meet the requirements set forth in Section 3 above, then, depending on the nature of the alleged non-compliance, one or more of the following provisions shall apply:

(a) **Benchmark One.** In the event Anixter fails to meet Benchmark One by September 30th, 2013, Anixter shall be given the right to cure such violation until March 31, 2014 (“**Benchmark One Cure Period**”). In the event that the violation is not cured during the Benchmark One Cure Period, Anixter will pay to the Village the amount of tax savings to Anixter as a result of the receipt of the 7(b) Incentive (or the Alternative Incentive) from the date on which the Benchmark One Cure Period expires until the date such violation is cured (the “**Benchmark One Tax Savings Period**”).

(b) **Benchmark Two.** In the event Anixter fails to meet Benchmark Two by December 31, 2017, Anixter shall be given the right to cure such violation until May 31, 2018 (“**Benchmark Two Cure Period**”). In the event that the violation is not cured during the Benchmark Two Cure Period, Anixter will pay to the Village the amount of tax savings as a result of the receipt of the 7(b) Incentive (or the Alternative Incentive) from the date on which the

Benchmark Two Cure Period expires until the date such violation is cured (the “**Benchmark Two Tax Savings Period**”).

(c) **Property Tax Appeals.** If, as the result of a property tax appeal filed by Anixter for the PIN, the property taxes for the PIN are reduced below the Annual Tax Estimate for the applicable tax year, then Anixter shall, within thirty (30) days after the Village’s delivery of written notice, pay to the Village an amount equal to the difference between the actual property taxes for the PIN and the corresponding Annual Tax Estimate (a “**Make Whole Payment**”). In the event that Anixter is required to submit a Make Whole Payment, the Village agrees to provide the Impacted Taxing Jurisdictions with their proportionate share of the Make Whole Payment after payment by Anixter to the Village hereunder. In the event Anixter fails to submit the Make Whole Payment in a timely manner, the Village may adopt a resolution withdrawing its consent to the 7(b) Incentive and directing the Village Manager to deliver a copy of such resolution to the Assessor, including such other rights or remedies the Village may elect to pursue at law or in equity to enforce the Make Whole Payment obligation set forth hereunder.

(d) For all other events of non-compliance, Anixter shall have thirty (30) days after the Village’s delivery of written notice of an alleged non-compliance within which to remedy such alleged non-compliance. If the non-compliance is not capable of being cured within said thirty (30) day period, then provided Anixter has commenced to cure the non-compliance within the thirty (30) day period and thereafter diligently prosecutes such cure through to completion, then the thirty (30) day period shall be extended for the length of time that is reasonably necessary to cure the non-compliance. If the non-compliance is not cured in the time period provided for herein, the Village may adopt a resolution withdrawing its consent to the 7(b) Incentive and directing the Village Manager to deliver a copy of such resolution to the Assessor.

Section 5. This Agreement shall bind and inure to the benefit of: (i) the Village, its corporate officials, and its and their successors in office, and its and their respective successors in interest; and (ii) Anixter, its subsidiaries and affiliates, and successors by corporate acquisition, merger, consolidation, reorganization or other corporate transaction. Anixter may assign its rights and obligations under this Agreement to any parent, affiliate or subsidiary, or successor by corporate acquisition, merger, consolidation, reorganization or other corporate transaction; provided, however, that Anixter shall provide written notice of such assignment to the Village within thirty (30) days thereafter; and provided further that Anixter shall continue to be bound by this Agreement until such assignee signs and delivers to the Village an agreement substantially in the form of this Agreement.

Section 6. Anixter hereby represents and warrants to the Village as follows:

(a) As of the date hereof, Anixter is financially solvent, able to pay its debts as they mature and able to perform the obligations hereunder and will promptly give to the Village written notice of any material adverse change in the financial condition of Anixter which would have a material adverse effect on the execution, delivery, performance or enforceability of this Agreement.

(b) Anixter is authorized to do business in the State of Illinois. Anixter represents and warrants that it is a company which is in good standing under the laws of the State of Illinois with power and authority to conduct its business as currently conducted and as contemplated by this Agreement.

(c) All necessary corporate, regulatory, or other similar action has been taken to authorize and empower Anixter to execute, deliver and perform this Agreement. The person(s) executing this Agreement on behalf of Anixter is duly authorized to do so and this Agreement is a legal, valid and binding obligation of Anixter, enforceable against it in accordance with its terms, subject to bankruptcy, equitable principles and laws affecting creditor's rights generally, regardless of whether such enforcement is considered in a proceeding in equity or at law.

(d) Except only for those representations, statements or promises expressly contained in this Agreement, no representation, statement or promise, oral or in writing, of any kind whatsoever by the Village, its officials, agents, or employees has induced Anixter to enter into this Agreement or has been relied upon by Anixter.

(e) No proceeding of any kind, including, but not limited to, litigation, arbitration, judicial or administrative, is pending or threatened against or contemplated by Anixter which would under any circumstance have any material adverse effect on the execution, delivery, performance or enforceability of this Agreement. As of the date of execution of this Agreement, Anixter has not received written notice, or does not to its knowledge have a reasonable basis for believing, that Anixter or any of its corporate officers is the subject of any of the proceedings identified in the following sub-parts having a material adverse effect on the execution, delivery, performance or enforceability of this Agreement: (i) criminal action, complaint or investigation pertaining to any felony charge, or (ii) any civil action or claim, both predicated on alleged acts of antitrust violations; business fraud; or class discrimination due to race, creed, color, disability, gender, marital status, age, national origin, or religious affiliation.

(f) Within the documents listed in Schedule 2, no information, certificate of an officer, or statement delivered to the Village by Anixter, contains, to the knowledge of Anixter, any untrue statement of a relevant, material fact or omits a material fact relevant to the certificate or statement included therein.

(g) Anixter shall provide prompt notice to the Village whenever any of the representations or warranties contained in this Section 6 ceases to be true or correct.

Section 7. The Village hereby represents and warrants to and covenants with Anixter as follows:

(a) All necessary corporate, regulatory or other similar action has been taken to authorize and empower the Village to execute, deliver and perform this Agreement.

(b) No proceeding of any kind, including, but not limited to, litigation, arbitration, judicial or administrative, is pending or threatened against or contemplated by the Village which would under any circumstance have any material adverse effect on the execution, delivery, performance or enforceability of this Agreement.

Section 8. Any notices or demands, which may be or are required, to be given by either party to the other under this Agreement shall be in writing, and all notices, demands and payments required to be given or made hereunder shall be given or made either: (a) by hand delivery; or (b) by United States certified mail, postage prepaid addressed to Anixter or the Village, respectively, at the following addresses, or at such other place as Anixter or the Village may from time to time designate in writing:

If to the Village:

The Village of Glenview
1225 Waukegan Road
Glenview, IL 60025
Attn: Todd Hileman, Village Manager

With a copy to:

Eric G. Patt
Robbins, Salomon & Patt, Ltd..
2222 Chestnut Avenue, Suite 101
Glenview, Illinois 60026

If to Anixter:

Anixter-Real Estate, Inc.
2301 Patriot Boulevard
Glenview, Illinois 60026
Attn: Real Estate Department

With a copy to:

Anixter Inc.
2301 Patriot Boulevard
Glenview, Illinois 60026
Attn: Legal Department

And to:

DLA Piper LLP (US)
203 North LaSalle Street
Suite 1900
Chicago, Illinois 60601
Attn: David L. Reifman, Esq.

All notices, demands and payments will be deemed to be received: (i) if given by hand delivery, when delivered in person; or (ii) if given by certified mail, four (4) business days after deposit in the United States mail.

Section 9. Subject to the provisions of this Section, this Agreement shall terminate and be null and void upon the earliest of the following to occur: (a) the lapse of the 7(b) Incentive (without having been applied) or repeal of the 7(b) Incentive as a result of the exercise of the remedy specified in Section 4(c); (b) if the Assessor denies Anixter's application for the 7(b) Incentive, or Anixter is not satisfied by June 1, 2012 that the Assessor will approve the 7(b) Incentive by June 15, 2012, the execution by the Parties of the alternative agreement described in Section 3(d) by June 15, 2012; (c) the delivery by Anixter of written notice to the Village that Anixter has elected not to acquire (by Lease or otherwise) the Expansion Property and construct the New Facility; or (d) November 30, 2023, or earlier termination or expiration of the Lease, provided Anixter enters into the Lease and the Class 7(b) Incentive is approved and applied to the New Facility.

Section 10. Anixter shall have the right to sublease portions of the New Facility without being in violation of this Agreement; provided, however, that such sublease shall not relieve Anixter of its obligations under this Agreement.

Section 11. The parties hereto shall do all things reasonably necessary or appropriate to carry out the terms and provisions of this Agreement and to aid and assist each other in carrying out the terms and objectives of this Agreement and the intentions of the parties as reflected by said terms, including but not limited to, the enactment by the Village of such resolutions and ordinances and the taking of such other actions as may be necessary to give effect to the terms and objectives of this Agreement and the intentions of the Parties as reflected by said terms. No Party shall challenge the validity of this Agreement or any resolutions or ordinances adopted pursuant hereto. Any right or obligation of Anixter under this Agreement may be exercised or performed by any of its wholly-owned subsidiaries.

Section 12. In the event of any successful legal proceeding brought by a party regarding this Agreement, the other party agrees to pay to such party all costs, including reasonable attorney fees, court costs and ancillary expenses incurred by such party in enforcing its rights hereunder upon the entry of a final, non-appealable order in such legal proceedings.

Section 13. The terms of this Agreement shall be construed and take effect in all respects in accordance with the laws of the State of Illinois. The exclusive jurisdiction for all claims and controversies arising hereunder shall be the Circuit Court of Cook County, Illinois. Both parties agree to submit to the jurisdiction of the courts of the State of Illinois and agree that exclusive venue shall be proper in the Circuit Court of Cook County, Illinois.

Section 14. Time is of the essence of this Agreement and of each and every provision hereof. In the performance of this Agreement, each party agrees to comply with all applicable laws, rules, and regulations.

Section 15. The terms of this Agreement are separate and divisible. A conclusion of law that one or more provisions are void or voidable will not void the entire Agreement. Wherever possible, the terms of this Agreement shall be interpreted and construed so as to permit its enforceability.

Section 16. No waiver of a breach of any provision of this Agreement shall be construed as a waiver of any breach of any other provision. No delay in acting with regard to any breach of any provision of this Agreement shall be construed as a waiver of such breach.

Section 17. Neither party to this Agreement shall be liable or lose any rights and benefits hereunder for its failure to perform hereunder due to circumstances beyond its reasonable control, or if performance hereunder is prevented, restricted or interfered with by reason of any acts of war, terrorism, insurrection, fire, flood, tornado, natural calamity, strike or other labor activities, or public utility outages, or because of any law or government regulation, or because of unanticipated circumstances affecting the construction of the New Facility (including, but not limited to, failure to obtain financing, failure to obtain such financing in a timely manner or the Landlord's failure to complete and deliver the core and shell of the New Facility in the timeframe required under the Lease), then that party shall be excused from such performance to the extent of the "force majeure." The party so affected shall give prompt notice to the other party, by any method appropriate under the circumstances. The party so affected shall use its best efforts to avoid or remove the "force majeure," and shall further continue on and use its best efforts to complete full performance of this Agreement when such causes are removed.

Section 18. This Agreement constitutes the entire agreement between the parties, superseding any prior understandings, arrangements or agreements whether in writing or oral. This Agreement embodies the entire agreement between the parties hereto. Any amendment or modification or other change in the provisions of this Agreement must be made in writing and signed by both parties to be effective.

Section 19. This Agreement may be executed in counterparts, each of which shall be deemed to be an original, and when taken together shall constitute the entire agreement between the parties.

IN WITNESS WHEREOF, the parties hereto have caused this agreement to be executed by their duly authorized representatives as of the date first above written.

VILLAGE OF GLENVIEW, an Illinois home rule municipal corporation

ANIXTER-REAL ESTATE, INC., an Illinois corporation

By: _____
Kerry D. Cummings, President

By: _____
Its: _____

Attest:

Todd Hileman, Village Clerk

SCHEDULE 1 – Annual Tax Estimates

<u>Year of Class 7B Incentive</u>	<u>Estimated Annual 7B Property Tax</u>
2014	\$108,176
2015	\$110,340
2016	\$112,546
2017	\$114,797
2018	\$117,093
2019	\$119,435
2020	\$121,824
2021	\$124,260
2022	\$126,745
2023	\$129,280
2024	\$197,799
2025	\$269,007

SCHEDULE 2

Draft Class 7(b) Eligibility Application provided to the Village by Anixter-Real Estate, Inc., including its attachments and exhibits with the exception of any property tax valuation, assessment and tax revenue projections.