

**A RESOLUTION APPROVING A
SALE REBATE TAX AGREEMENT**

WHEREAS, the Village of Arlington Heights (“Village”) has in place a sales tax rebate program (“Program”) that is offered to qualified small retail businesses in the Village; and

WHEREAS, Le Obsession, Inc., a business located at 16 and 18 S. Dunton Ave., has applied for the Program; and

WHEREAS, the Village has determined that Le Obsession, Inc. meets the guidelines and qualifies for the Program,

NOW, THEREFORE, BE IT RESOLVED BY THE PRESIDENT AND BOARD OF TRUSTEES OF THE VILLAGE OF ARLINGTON HEIGHTS:

SECTION ONE: That a Sales Tax Rebate Agreement by and between the Village and Le Obsession, Inc., a true and correct copy of which is attached hereto, be and the same is hereby approved.

SECTION TWO: The Village Manager and Village Clerk are hereby authorized and directed to execute said Agreement on behalf of the Village of Arlington Heights.

SECTION THREE: This Resolution shall be in full force and effect from and after its passage and approval in the manner provided by law.

AYES:

NAYS:

PASSED AND APPROVED this 7th day of January, 2019.

Village President

ATTEST:

Village Clerk

SALES TAX REBATE AGREEMENT

THIS AGREEMENT is made and entered into this 14th day of December 2018, by and between Le Obsession, Inc. ("Business Owner"), and the Village of Arlington Heights, an Illinois Municipal Corporation in Cook County, Illinois, ("Village")

WHEREAS, the Village has in place a program which offers qualified small retail businesses in the Village a sales tax rebate of 50% of the Village's portion of retail sales tax for up to five years, subject to certain terms and conditions ("Program"); and

WHEREAS, the Business Owner owns a business, Le Obsession ("Business"), currently located at 16 and 18 S Dunton Ave A, Arlington Heights, Illinois, which has just been expanded and, therefore, is eligible for participation in the Program,

NOW, THEREFORE, in consideration of the mutual agreements set forth in this Agreement, the Parties agree as follows:

1. For purposes of this Agreement, the terms set forth below shall have the listed meanings:
 - a. Effective Date: January 18, 2018, which is the date upon which the Business opened in the expanded space.
 - b. Municipal Sales Tax: That portion of the sales tax generated by the Business that the Village actually receives from the State of Illinois. The Village has a 2% Municipal Sales Tax (1% Municipal Retailer's Occupation Tax and 1% Home Rule Sales Tax).
 - c. Sales Base Year: The year used to determine the amount of Sales Tax Rebate the Business is eligible to receive. The Sales Base Year for this Agreement is 2017.
 - d. Sales Tax Rebate: The rebate payment to a business owner of a portion of the Municipal Sales Tax that the Village is required to make pursuant to this Agreement.
 - e. Sales Tax Rebate Program: A program created by the Village which permits a business owner to receive, as a rebate, 50% of the Village's 2% Municipal Sales Tax generated by the business for up to five years. For existing businesses, a rebate is available only for a business which is expanding and only based on the increased sales tax over the Base Year.
 - f. Sales Year: The 365 day period commencing on the Effective Date and continuing in 365 day increments thereafter for each of the three years of this Agreement. The Sales Year may be extended for up to another two years, if the Business Owner extends her three year lease.
2. In order for an existing business to participate in the Sales Tax Rebate Program, the following conditions must be met:
 - a. The business must be primarily retail and no larger than 5,000 square feet; and

- b. The business must be expanding its square footage by at least 25%; and
 - c. The business owner must either own the business space or have a lease for a minimum of three years; and
 - d. The business must be open for at least 40 hours a week; and
 - e. From April 1 through October 31 of each year, the business must be open one weekend evening each week until at least 8:00 p.m.
3. The Business is located at 16 and 18 S Dunton Ave A, Arlington Heights, Illinois, and recently expanded from 625 square feet to 1,350 square feet.
 4. The Business Owner has a lease for the Business for three years, with a three year option to renew.
 5. The Business Owner has set the following hours of operation:

Tuesdays:	10:00-6:00
Wednesdays:	10:00-6:00
Thursdays:	10:00-6:00
Fridays November 1-March 31:	10:00-6:00
Fridays April 1-October 31:	10:00-8:00
Saturdays:	10:00-6:00

If the Business Owner wants to change any of the operating hours as set forth above, prior to the change taking effect, the Business Owner must receive written approval from the Village. The Business Owner must notify the Village in writing of the proposed changes to the hours and the proposed hours must still meet the requirements of the Sales Tax Rebate Program. As long as the new hours meet the requirements of the Sales Tax Rebate Program, the Village will not withhold its approval.

6. Pursuant to the Sales Tax Rebate Program, for each Sales Year, as long as the Business Owner meets the requirements of the Program as set forth in Paragraph 2, the Village will rebate to the Business Owner 50% of the Village's 2% sales tax generated on the increase in sales over the Sales Base Year. (For example, if the sales from the Business for the Sales Base Year are \$150,000 total and, after the expansion, the sales increased to \$200,000 total for the year, the Sales Tax Rebate will be based on \$50,000, which is the increase in sales, netting a rebate of \$500.) The Village will pay a rebate for no more than a total of 60 continuous months and the Business must be open continuously for the rebate period in order to be entitled to the rebate.

By April 15th of the following year of sales tax receipts being made to the Village, the Village shall pay to the Business Owner the applicable Sales Tax Rebate for the prior Sales Year. If, for any reason, the State of Illinois fails to distribute the Municipal Sales Tax revenue to the Village in time for the Village to make the payment, the Village shall provide notice of that fact to the Business Owner. The Village will then make the required Sales Tax Rebate payment within 30 days after the date the Village actually receives the Municipal Sales Tax revenue due the Village for the prior Sales Year.

