

April 4, 2022

Mr. Randy Recklaus
Village Manager
Village of Arlington Heights
33 South Arlington Heights Road
Arlington Heights, IL 60005

Dear Mr. Recklaus:

CBFC Development, LLC ("**Purchaser**") has executed a Purchase and Sale Agreement for the purchase of the 326-acre real property located at 2200 Euclid Avenue in the Village of Arlington Heights ("**Village**"), commonly known as the Arlington International Racecourse property ("**Property**"). The Purchaser is evaluating the Property for the purpose of a variety of potential uses, including a multi-use redevelopment and a professional football stadium ("**Redevelopment**").

The Purchaser recognizes that, during the course of reviewing and processing development applications, the Village often incurs expenses for third-party consulting costs. The costs can include, without limitation, professional and technical consultant services, legal consultation, and publication costs.

In recognition of the significant costs that may be incurred by the Village during the course of the review and processing of applications for the potential Redevelopment of the Property, and in order to ensure efficient and timely review and processing, the Purchaser desires to provide for the reimbursement of costs incurred by the Village in connection with such review and processing, as follows:

1. The Purchaser agrees to reimburse the Village for reasonable third-party costs and expenses, incurred on or after March 17, 2022, solely in connection with the Redevelopment of the Property, including the following categories of costs and expenses: (a) publication and posting of notices; (b) court reporter fees; (c) third-party professional and technical consultants, including, without limitation, engineers, traffic consultants, planners, architects, and financial consultants; (d) legal counsel; (e) copy reproduction; (f) document recordation costs; (g) mailing costs; and (h) costs of ownership and title searches, to the extent that such costs are extraordinary and would not be incurred by the Village in the ordinary course of its business in the absence of Purchaser's proposed Redevelopment and as limited by Section 3 below (collectively, the "**Reimbursement Costs**"). The Village agrees to enter into discrete agreements with third parties referred to in subsection (c) above, and to require invoices for Reimbursement Costs that are separate from invoices submitted to the Village for costs not related to the Redevelopment. In agreements with third parties related to the Redevelopment, the Village will endeavor to include provisions requiring confidentiality and non-disclosure of information related to the Redevelopment and the Property.

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2. The Purchaser agrees to provide a cash escrow to the Village, to be used towards Reimbursement Costs incurred by the Village in reviewing and processing any plans or proposals for the Redevelopment of the Property ("**Escrow**"). The Purchaser will fund the Escrow with an initial deposit of \$125,000.00, on or before April 1, 2022.
3. The Purchaser acknowledges and agrees that the Village Manager will periodically review the Escrow to ensure that adequate funds are available to satisfy the Reimbursement Costs relating to the Redevelopment. The Village Manager will notify the Purchaser in writing at such times when draws are made against the Escrow towards Reimbursement Costs and provide the Purchaser with copies of all invoices for Reimbursement Costs. The Village will not enter into new agreements with third parties, to be paid with Reimbursement Costs in excess of \$30,000.00, without first notifying the Purchaser in writing, and also will notify the Purchaser in writing when the Village has incurred such costs under such agreements equal to or exceeding \$30,000.00. In the event that the Village Manager reasonably determines that sufficient funds to pay Reimbursement Costs are not available, the Village Manager will so notify the Purchaser and request a further amount to defray the anticipated additional costs. The Village Manager, in consultation with the Purchaser, will reasonably determine the further amount due based on the nature of the Redevelopment, its complexity, the relative need for additional legal and other consultant services, and the amount of time remaining before the completion of the municipal approvals required for the Redevelopment. The Purchaser will be given 14 days to deposit the additional funds. The Purchaser acknowledges that, in the event that the funds are not deposited, the Village will take no further action on the Development until the funds are deposited; provided, the Purchaser will be treated in the same manner as other petitioners to the Village in connection with requests for land use and development approvals.
4. Upon the completion of the municipal approvals required for the Redevelopment or Purchaser's notification of the Village that Purchaser has decided not to continue its pursuit of municipal approvals related to the Redevelopment, and after all outstanding Reimbursement Costs incurred by the Village related to the Redevelopment have been satisfied in full, the Village Manager will remit the balance of the Escrow, if any, to the Purchaser.

Very truly yours,

CBFC DEVELOPMENT, LLC



By: _____

Its: Member

Accepted this 5th day of April, 2022.

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Randy Recklaus
Village Manager
Village of Arlington Heights