

**VILLAGE OF VERNON HILLS
ORDINANCE 2025-072**

**AN ORDINANCE AUTHORIZING A SECOND AMENDMENT TO THE
REDEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF VERNON HILLS;
HAWTHORN LP; HAWTHORN SP, LLC; HAWTHORN CP, LLC; AND USEF
CENTENNIAL FA HAWTHORN OWNER, LLC FOR THE REDEVELOPMENT OF
THE HAWTHORN MALL COMPRISING A PART OF THE HAWTHORN MALL TIF
DISTRICT OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS**

BE IT ORDAINED, by the President and Board of Trustees of the Village of Vernon Hills, Lake County, Illinois, as follows:

SECTION 1: The President and Board of Trustees of the Village find as follows:

- A. The Village of Vernon Hills (hereinafter referred to as the “VILLAGE”) is a home rule municipality pursuant to Section 6(a) of Article VII of the Constitution of the State of Illinois and is authorized to exercise and perform any function pertaining to its government and affairs.
- B. The State of Illinois has adopted tax increment financing pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as from time to time amended (hereinafter referred to as the “TIF ACT”).
- C. Pursuant to its home rule powers and in accordance with the TIF ACT, on November 4, 2020, the Corporate Authorities of the VILLAGE adopted Ordinance Numbers 126, 127, and 128 in accordance with the TIF ACT and its home rule powers, approving a tax increment redevelopment plan and project, designating a tax increment redevelopment project area and adopting tax increment financing relative to the VILLAGE’S HAWTHORN MALL TIF DISTRICT (hereinafter referred to as the “HAWTHORN MALL TIF DISTRICT”) for redevelopment and revitalization of a portion of the corporate limits of the VILLAGE .
- D. On July 6, 2021, the Village executed a Redevelopment Agreement, between the DEVELOPER and the VILLAGE, which sets forth the terms and conditions pursuant to which the DEVELOPER will proceed with the DEVELOPMENT (hereinafter referred to as the “REDEVELOPMENT AGREEMENT.”
- E. The DEVELOPER has requested that the Village extend certain construction milestone dates to accommodate changes that are being proposed to the Development by the DEVELOPER.
- F. The Corporate Authorities of the Village have considered such request and concluded that they have no objection to the Second Amendment to the Redevelopment Agreement.
- G. In accordance with the TIF ACT and the VILLAGE’S home rule powers it is in the best interest of the VILLAGE to approve the SECOND AMENDMENT TO

REDEVELOPMENT AGREEMENT (attached hereto as EXHIBIT A), pursuant to the TIF ACT.

SECTION 2: Based upon the foregoing, and pursuant to the TIF ACT and the VILLAGE'S home rule powers, the attached SECOND AMENDMENT TO THE REDEVELOPMENT AGREEMENT attached hereto as EXHIBIT A is hereby approved and the Village Manager is authorized to execute the same.

SECTION 3: That this Ordinance shall be in full force and effect from and after its adoption, approval and publication in pamphlet form as provided by law.
Dated this 20th day of May 2025.

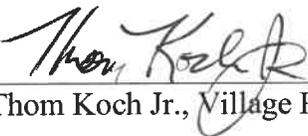
Passed by roll call vote as follows:

AYES: 6 – Forster, Marquardt, Schenk, Lundeen, Oppenheim, Koch

NAYS: 0 - None

ABSENT AND NOT VOTING: 1 – Takaoka

Adopted this 20th day of May 2025, by the President and Board of Trustees of the Village of Vernon Hills, Illinois.


Thom Koch Jr., Village President

PASSED: 05/20/2025

APPROVED: 05/20/2025

ATTEST: 05/20/2025


Kevin Timony, Village Clerk



EXHIBIT A

SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT

THIS INSTRUMENT HAS BEEN
PREPARED BY:

Harold W. Francke
Meltzer, Purtil & Stelle LLC
1515 E. Woodfield Road, Suite 250
Schaumburg, IL 60173
(847) 330-6068
hfrancke@mpsllaw.com

After recording return to:

Village of Vernon Hills
290 Evergreen Drive
Vernon Hills, IL 60061
Attention: Village Manager
E-mail: ktimony@vhills.org

SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT

by, between, and among

THE VILLAGE OF VERNON HILLS

and

**HAWTHORN, L.P.,
HAWTHORN SP, LLC,
HAWTHORN CP, LLC, and
USEF CENTENNIAL FA HAWTHORN OWNER LLC**

HAWTHORN MALL

**SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT
(HAWTHORN MALL)**

This **SECOND AMENDMENT TO REDEVELOPMENT AGREEMENT** ("**Second Amendment**") is made as of May 20, 2025 ("**Effective Date**"), by, between, and among the **VILLAGE OF VERNON HILLS**, an Illinois home rule municipal corporation ("**Village**"), on the one hand, and **HAWTHORN, L.P.**, an Illinois limited partnership ("**Hawthorn L.P.**"), **HAWTHORN SP, LLC**, a Delaware limited liability company ("**Hawthorn SP**"), **HAWTHORN CP, LLC**, a Delaware limited liability company ("**Hawthorn CP**") and **USEF CENTENNIAL FA HAWTHORN OWNER LLC**, a Delaware limited liability company ("**Hawthorn Venture Owner**") (Hawthorn L.P., Hawthorn SP, Hawthorn CP, and Hawthorn Venture Owner being hereinafter sometimes collectively referred to as the "**Owners**"), on the other hand. The Village and the Owners are hereinafter collectively referred to as the "**Parties**".

RECITALS¹.

A. The Owners are collectively the owners of the portions of the Hawthorn Mall in Vernon Hills, Illinois that are legally described on **Exhibit A** attached hereto and made a part hereof (collectively, the "**Property**").

B. On July 6, 2021, the Parties entered into a Redevelopment Agreement (the "**Original Redevelopment Agreement**") to provide for the construction of a redevelopment project on the Property (the "**Redevelopment Project**"). The Original Redevelopment Agreement was recorded in the Lake County Recorder's Office on December 2, 2021, as Document No. 7849753.

C. The Parties entered into a first amendment to the Original Redevelopment Agreement dated as of June 7, 2022 (the "**First Amendment**") to amend the Original Redevelopment Agreement in certain respects that are described therein. The First Amendment was recorded in the Lake County Recorder's Office on August 9, 2022, as Document No. 7925265. The Original Redevelopment Agreement and the First Amendment are sometimes hereinafter collectively referred to as the "**Amended Redevelopment Agreement**".

D. The Original Redevelopment Agreement requires Owners to complete the construction of the various Phases of the Redevelopment Project by certain dates. Specifically, the Original Redevelopment Agreement Owners provides as follows:

1. Section 3(A)(2) of the Redevelopment Agreement provides that, subject to Uncontrollable Circumstances, not later than the 48-month anniversary of the Effective Date of the Original Redevelopment Agreement, Hawthorn SP and Hawthorn Venture Owner shall achieve Retail Substantial Completion of the Phase I Retail/Commercial Space, Residential Substantial Completion of the Phase I Residential Buildings, and Substantial Completion of the Phase I Parking Garage and all other components of the Phase I Project, other than the Outlots;

2. Section 3(A)(3) of the Redevelopment Agreement provides that, as follows: subject to Uncontrollable Circumstances, not later than the 60-month anniversary of the Effective Date of the Original Redevelopment Agreement, one or more of Hawthorn L.P., Hawthorn SP or Hawthorn CP shall achieve, or cause another Developer Party to achieve, Residential Substantial Completion of the Phase II Residential Building; and

3. Section 3(A)(4) of the Redevelopment Agreement provides that, subject to Uncontrollable Circumstances, one or more of Hawthorn L.P., Hawthorn SP or Hawthorn CP shall achieve, or cause another Developer Party to achieve, Retail Substantial

¹ All capitalized words in this Second Amendment not otherwise defined herein shall have the meanings ascribed to them in either the Original Redevelopment Agreement or the First Amendment.

Completion of the Phase III Retail/Commercial Space not later than the Phase III Final Issuance Date, as defined in the Original Redevelopment Agreement).

E. The Effective Date of the Original Redevelopment Agreement is July 6, 2021; the 48-month anniversary of the Effective Date of the Original Redevelopment Agreement is July 6, 2025; the 60-month anniversary of the Effective Date of the Original Redevelopment Agreement is July 6, 2026; and the Phase III Final Issuance Date is the earlier to occur of: (i) the 60-month anniversary of the Phase I Issuance Date, or (ii) January 1, 2028, or such later date as the Corporate Authorities, in the exercise of their discretion, may establish as the Phase III Final Issuance Date.

F. All components of the Phase I Project, as set forth in Exhibit D to the Original Redevelopment Agreement, have been completed by Owners except for the following: (i) Retail Substantial Completion of the Phase I Retail/Commercial Space has not yet been achieved; (ii) the public plaza that Owners are to construct in an area adjacent to the main Mall building; (iii) the approximately 13,925 square feet of new gross leasable outward facing Retail/Commercial space that Owners are to construct fronting on the aforementioned public plaza, and (iv) the construction of approximately 23,000 square feet of new gross leasable Retail/Commercial space on the Outlots (collectively, the ***"Incomplete Components of the Phase I Project"***).

G. The Owners have not yet constructed the Phase II Project or the Phase III Project, as set forth in Exhibit D to the Original Redevelopment Agreement, with the exception of the Sleep Number Building and the demolition of the Carsons building in Phase III, which components have been completed.

H. The Owners have submitted plans to the Village for a different and new Phase II component of the Redevelopment Project (***"New Phase II Project"***) and will soon be submitting applications to the Village seeking Village approval of the New Phase II Project development plans. The Parties agree that a comprehensive Third Amendment to the Redevelopment Agreement must be approved by the Village as a condition of the approval of the New Phase II Project, and that, until said Third Amendment is approved by the Village, the Original Redevelopment Agreement, as amended by the First Amendment and this Second Amendment, will continue to control the Redevelopment Project.

I. The New Phase II Project, if approved by the Village Board, will include both a residential component that is comparable to the Phase II Residential Building described in the Original Redevelopment Agreement and a retail component consisting of approximately 37,000 square feet of new gross leasable Retail/Commercial space (***"New Retail/Commercial Component"***) and the new gathering and open spaces that were to be constructed as part of the Phase III Project.

J. Hawthorn SP and Hawthorn Venture Owner no longer intend to construct the approximately 13,925 square feet of new gross leasable outward facing Retail/Commercial space that they were to construct as part of the Phase I Project. In lieu thereof, those parties are now intending to construct the New Retail/Commercial Component of the New Phase II Project, if approved.

K. The Owners have requested that the Village extend the dates set forth in Recital D of this Second Amendment with respect to the Incomplete Components of the Phase I Project and the New Phase II Project and the Village is willing to do so, as and to the extent set forth in this Second Amendment.

NOW, THEREFORE, in consideration of the foregoing recitals and the mutual covenants and agreements hereinafter set forth, the Parties agree as follows:

Section 1. RECITALS.

The Parties acknowledge the accuracy of the foregoing recitals and do hereby incorporate them into this Second Amendment as if restated in their entirety in this Section 1.

Section 2. EXTENSION OF DATES.

The dates set forth in Recital E of this Second Amendment are hereby extended as follows:

A. **Phase I Project.** Hawthorn SP and Hawthorn Venture Owner will have until February 1, 2027 to achieve Retail Substantial Completion of the Phase I Retail/Commercial Space, and until July 6, 2027 to achieve Substantial Completion of the approximately 23,000 square feet of new gross leasable Retail/Commercial space that was to be constructed on the Outlots as part of the Phase I Project.

B. **New Phase II Project.** The Owners will have until July 6, 2027 to achieve: (i) Residential Substantial Completion of the residential component of the New Phase II Project, if approved by the Village Board along with a Third Amendment to the Redevelopment Agreement incorporating the New Phase II Project and any additional changes included in the Third Amendment to the Redevelopment Agreement that are negotiated by the Parties; (ii) Retail Substantial Completion of the New Retail/Commercial Component of the New Phase II Project, if approved by the Village Board along with a Third Amendment to the Redevelopment Agreement incorporating the New Phase II Project and any additional changes included in the Third Amendment to the Redevelopment Agreement that are negotiated by the Parties; and (iii) the new gathering and open spaces that were to be constructed as part of the Phase III Project as part of the New Phase II Project, if approved by the Village Board along with a Third Amendment to the Redevelopment Agreement incorporating the New Phase II Project and any additional changes included in the Third Amendment to the Redevelopment Agreement that are negotiated by the Parties.

Section 3. GENERAL PROVISIONS.

A. **Entire Agreement/Interpretation.** The Amended Redevelopment Agreement, as amended by this Second Amendment, constitutes the entire agreement of the Parties relative to the construction and financing of the Redevelopment Project, superseding any and all prior agreements and negotiations between and among the Parties, whether written or oral, relating to the subject matter of the Amended Redevelopment Agreement and this Second Amendment. From and after the Effective Date of this Second Amendment, all references in the Original Redevelopment Agreement or the First Amendment to the term "Redevelopment Agreement" or "Agreement" shall be deemed to mean the Amended Redevelopment Agreement, as amended by this Second Amendment.

B. **Conflicts.** In the event of a conflict between the provisions of the Amended Redevelopment Agreement and the provisions of this Second Amendment, the latter shall govern and control.

C. **Severability.** If any provision in this Second Amendment is held invalid or unenforceable by a court of competent jurisdiction, such provision shall be deemed stricken herefrom and the remaining provisions shall remain in effect without regard to such invalid or unenforceable provision so that the intent of the Parties, as expressed by the remaining provisions of this Second Amendment, may be given effect to the greatest extent possible.

D. **Headings.** The section and paragraph headings in this Second Amendment have been inserted only for convenience and in no way define or limit the scope of this Second Amendment or the Parties' intentions, as expressed by the provisions of this Second Amendment.

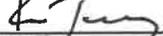
E. **Recording.** The Owners will cause this Second Amendment to be recorded with the Lake County Recorder's Office, at their expense, promptly following its execution by the Parties.

F. **Counterparts.** This Second Amendment may be executed in counterparts, each of which will constitute an original document and together will constitute the same instrument. Emailed exchanges of signed copies of this Second Amendment shall be the equivalent of exchanged original signature copies of the Second Amendment.

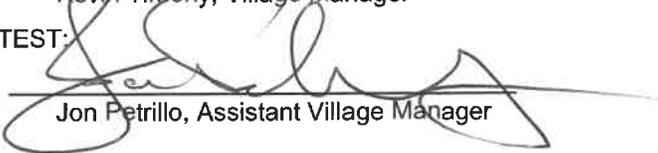
IN WITNESS WHEREOF, the Parties have affixed their signatures to this Second Amendment, to be effective as of the Effective Date.

VILLAGE:

VILLAGE OF VERNON HILLS, an Illinois home rule municipal corporation

By: 
Kevin Timony, Village Manager

ATTEST:

By 
Jon Petrillo, Assistant Village Manager

OWNERS:

HAWTHORN SP, LLC, a Delaware limited liability company

By: US Centennial Hawthorn Venture LLC, a Delaware limited liability company, its Sole Member

By: US Centennial Hawthorn Holdings LLC, a Delaware limited liability company, its Managing Member

By: US Centennial Malls JV IV, LLC, a Delaware limited liability company, its Managing Member

By: Centennial/USEF Manager, LLC, a Delaware limited liability company, its Managing Member

By: Centennial Mall Manager, LLC, a Delaware limited liability company, its Managing Member

By: _____
Name: Steven Levin
Title: Chief Executive Officer

HAWTHORN CP, LLC, a Delaware limited liability company

By: US Centennial Hawthorn Venture LLC, a Delaware limited liability company, its Sole Member

By: US Centennial Hawthorn Holdings LLC, a Delaware limited liability company, its Managing Member

By: US Centennial Malls JV IV, LLC, a Delaware limited liability company, its Managing Member

By: Centennial/USEF Manager, LLC, a Delaware limited liability company, its Managing Member

By: Centennial Mall Manager, LLC, a Delaware limited liability company, its Managing Member

By: _____
Name: Steven Levin
Title: Chief Executive Officer

HAWTHORN, L.P.,
an Illinois limited partnership

By: WEA Hawthorn Shopping Center GP, LLC, a Delaware limited liability company, its general partner

By: US Centennial Hawthorn Venture LLC, a Delaware limited liability company, its Sole Member

By: US Centennial Hawthorn Holdings LLC, a Delaware limited liability company,
its Managing Member

By: US Centennial Malls JV IV, LLC, a Delaware limited liability company,
its Managing Member

By: Centennial/USEF Manager, LLC, a Delaware limited liability company,
its Managing Member

By: Centennial Mall Manager, LLC,
a Delaware limited liability company, its Managing Member

By: _____

Name: Steven Levin
Title: Chief Executive Officer

USEF CENTENNIAL FA HAWTHORN OWNER LLC,
a Delaware limited liability company

By: USEF Centennial FA Hawthorn Venture LLC,
a Delaware limited liability company, its sole member

By: Hawthorn Venture Partners, LLC, a Delaware limited liability,
Its Operating Member

By: _____

Name: Tim Anderson
Title: Manager

State of Illinois)
) SS
County of Lake)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Kevin Timony and Jon Petrillo, personally known to me to be the Village Manager and Assistant Village Manager, respectively, of the VILLAGE OF VERNON HILLS, and personally known to me to be the same persons whose names are subscribed to the foregoing Second Amendment, appeared before me this day in person and severally acknowledged that, as such Village Manager and Assistant Village Manager, they signed said Second Amendment pursuant to authority duly given by the Corporate Authorities of said Village.

Given under my hand and official seal this ____ day of _____, 2025.

Notary Public

State of Texas)
) SS
County of _____)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Steven H. Levin, personally known to me to be the same person whose name is subscribed to the foregoing Second Amendment, appeared before me this day in person and acknowledged that he signed said Second Amendment.

Given under my hand and Notarial Seal this ____ day of _____, 2025.

Notary Public

State of Illinois)
) SS
County of _____)

I, the undersigned, a Notary Public in and for the County and State aforesaid, do hereby certify that Tim Anderson, personally known to me to be the same person whose name is subscribed to the foregoing Second Amendment, appeared before me this day in person and acknowledged that he signed said Second Amendment.

Given under my hand and Notarial Seal this ____ day of _____, 2025.

Notary Public

Exhibit A

LEGAL DESCRIPTION OF THE PROPERTY

LOT 7 AND PARTS OF LOTS 1, 2, AND 4, IN HAWTHORN CENTER, RECORDED AS DOCUMENT NUMBER 1866654 EXCEPT THAT PART FALLING WITHIN LOT 1 IN HAWTHORN CENTER RESUBDIVISION NO. 4, RECORDED AS DOCUMENT NUMBER 7782063 AND EXCEPT THAT PART FALLING WITHIN LOTS 1, 2 AND 3 IN HAWTHORN CENTER RESUBDIVISION NO. 3, RECORDED AS DOCUMENT NUMBER 7798889;

TOGETHER WITH:

LOT 1 IN HAWTHORN CENTER RESUBDIVISION NO. 4, RECORDED AS DOCUMENT NUMBER 7782063

TOGETHER WITH:

LOTS 1, 2 AND 3 IN HAWTHORN CENTER RESUBDIVISION NO. 3, RECORDED AS DOCUMENT NUMBER 7798889

TOGETHER WITH:

LOT 4 IN RESUBDIVISION OF LOTS 5, 8 & 9 IN HAWTHORN CENTER, RECORDED AS DOCUMENT NUMBER 2074279

AND ALL BEING PART OF THE SOUTHEAST QUARTER OF SECTION 33, TOWNSHIP 44 NORTH, RANGE 11 EAST OF THE THIRD PRINCIPAL MERIDIAN, IN LAKE COUNTY, ILLINOIS.

VILLAGE OF VERNON HILLS

ORDINANCE NO. 2025-072

AN ORDINANCE AUTHORIZING A SECOND AMENDMENT TO THE REDEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF VERNON HILLS; HAWTHORN LP; HAWTHORN SP, LLC; HAWTHORN CP, LLC; AND USEF CENTENNIAL FA HAWTHORN OWNER, LLC FOR THE REDEVELOPMENT OF THE HAWTHORN MALL COMPRISING A PART OF THE HAWTHORN MALL TIF DISTRICT OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS

THE 20th DAY OF MAY 2025

Published in pamphlet form by the Authority of the President and Board of Trustees of the Village of Vernon Hills, Lake County, Illinois, this 20th day of May, 2025

AFFIDAVIT OF SERVICE

STATE OF ILLINOIS)
)
COUNTY OF LAKE)

I, KEVIN TIMONY, BEING FIRST DULY APPOINTED, DEPOSES AND SAYS ON OATH THAT AS VILLAGE CLERK OF THE VILLAGE OF VERNON HILLS, HE DID CAUSE THE FOREGOING CERTIFICATE FOR ORDINANCE NO. 2025-072 AN ORDINANCE AUTHORIZING A SECOND AMENDMENT TO THE REDEVELOPMENT AGREEMENT BETWEEN THE VILLAGE OF VERNON HILLS; HAWTHORN LP; HAWTHORN SP, LLC; HAWTHORN CP, LLC; AND USEF CENTENNIAL FA HAWTHORN OWNER, LLC FOR THE REDEVELOPMENT OF THE HAWTHORN MALL COMPRISING A PART OF THE HAWTHORN MALL TIF DISTRICT OF THE VILLAGE OF VERNON HILLS, LAKE COUNTY, ILLINOIS TO BE POSTED IN THE VILLAGE HALL AS REQUIRED BY LAW FROM MAY 20, 2025 TO JUNE 4, 2025.



Kevin Timony, Village Clerk

SUBSCRIBED AND SWORN TO BEFORE ME
THIS 20th DAY OF MAY, 2025



Notary Public

