

VILLAGE OF DOWNERS GROVE
Report for the Village
1/13/2026

SUBJECT:	SUBMITTED BY:
Genesis Sales Tax Rebate Agreement	Enza Petrarca Village Attorney

SYNOPSIS

An Ordinance has been prepared to amend the Sales Tax Rebate Agreement between the Village of Downers Grove and Downers Grove Cars. LLC d//b/a Genesis of Downers Grove (Castle) to extend the project completion deadline to March 30, 2026 for the property located at 2424 Ogden Avenue.

STRATEGIC PLAN ALIGNMENT

The goals for 2025-27 include *Strong, Diverse Local Economy*.

FISCAL IMPACT

Upon completion of the project and the opening of the dealership, the Village would rebate 50% of the annual sales tax revenue generated for a period of ten years. Staff estimates that the annual net Village sales tax revenue will be \$150,000 to \$200,000 per year.

RECOMMENDATION

Approval on the January 20, 2026 Active Agenda.

BACKGROUND

On September 12, 2023 the Village Council approved a Sales Tax Rebate Agreement with Downers Grove Cars. LLC d//b/a Genesis of Downers Grove (Castle) for the operation of a Genesis dealership located at 2424 Ogden Avenue. The project completion date included in the agreement is March 30, 2025. Genesis of Downers Grove (Castle) is requesting an amendment to extend the project completion date to March 30, 2026.

Castle has been diligently pursuing the completion of the project and noted that the project has been delayed due to building design changes required by the Genesis corporation.

ATTACHMENTS

Ordinance
Sales Tax Rebate Agreement Amendment

ORDINANCE NO. _____**AN ORDINANCE APPROVING A FIRST AMENDMENT TO
SALES TAX REBATE AGREEMENT
BETWEEN THE VILLAGE OF DOWNERS GROVE
AND DOWNERS GROVE CARS, LLC**

WHEREAS, the Village of Downers Grove (the "Village") is a home rule unit of government in accordance with Article VII, Section 6, of the Constitution of the State of Illinois, 1970; and

WHEREAS, the Village has the authority, pursuant to the laws of the State of Illinois, to promote the health, safety and welfare of the Village and its inhabitants, to prevent the presence of blight, to encourage private development in order to enhance the local tax base, to increase additional tax revenues realized by the Village, foster increased economic activity within the Village, to increase employment opportunities within the Village, and to enter into contractual agreements with third parties for the purpose of achieving the aforesaid purposes, and otherwise be in the best interests of the Village; and

WHEREAS, 65 ILCS 5/8-11-20 authorizes municipalities to enter into economic incentive agreements in order to encourage the development or redevelopment of land within their corporate limits; and

WHEREAS, Downers Grove Cars, LLC d/b/a Genesis of Downers Grove ("Castle") owns or leases certain real property located at 2424 Ogden Avenue, Downers Grove, Illinois ("Property"); and

WHEREAS, Castle operates an automobile dealership on the Property; and

WHEREAS, the Village approved Ordinance No. 5989 on September 12, 2023 approving a Sales Tax Rebate Agreement with Castle concerning the dealership; and

WHEREAS, Castle has requested an amendment to the Sales Tax Rebate Agreement to amend the project completion date;

NOW, THEREFORE, BE IT ORDAINED by the Village Council of the Village of Downers Grove, DuPage County and State of Illinois, as follows:

Section 1. Recitals. The foregoing recitals are incorporated into this Ordinance as findings of the Village Council.

Section 2. Approval of a First Amendment to Sales Tax Rebate Agreement. The First Amendment to the Sales Tax Rebate Agreement shall be, and it is hereby, approved in final form satisfactory to the Village Manager. The Mayor and Village Manager are hereby authorized and directed to execute and deliver the First Amendment to the Sales Tax Rebate Agreement and any other necessary and appropriate related documents after such documents have been properly executed and delivered by Castle.

Section 3. Conflict. That all ordinances and resolutions or parts thereof in conflict with the provisions of this Resolution are hereby repealed.

Section 4. Effective Date. This Ordinance shall be in full force and effect from and after its passage, approval, and publication in pamphlet form in the manner provided by law.

Mayor

Passed:

Published:

Attest: _____
Village Clerk

**FIRST AMENDMENT TO THE AGREEMENT BETWEEN
THE VILLAGE OF DOWNERS GROVE AND
DOWNERS GROVE CARS, LLC**

On or about September 12, 2023, the Village of Downers Grove, Illinois (“Village”) and Downers Grove Cars, LLC (“Castle”) entered into a Sales Tax Rebate Agreement (the “Agreement”). Pursuant to the terms stated therein, the parties desire to amend the Agreement in accordance with the following terms:

1. Section E. 1. of the Agreement, **Construction of the Project**, is hereby amended to state the following:

Construction of the Project: Castle shall comply with the following Project Schedule: (1) commence construction/development of the remainder of the Project no later than October 31, 2023; and (2) complete construction of the Project and be open to the public no later than March 30, 2026.

2. Section M. 4. of the Agreement, **Notice**, is hereby amended to state the following:

Notice: Any notices required in this Agreement shall be effective when in writing and three (3) days after mailing by certified mail return receipt requested, or by delivering the same in person or to an officer of such party or by prepaid telegram or private overnight courier, when appropriate, addressed to the party to be notified.

All notices to Downers Grove shall be sent to:

Village Manager
Village of Downers Grove
850 Curtiss St.
Downers Grove, Illinois 60515

All notices to Castle shall be sent to:

Downers Grove Cars, LLC
Joseph Castlebuono/Robert Politza
1 Tower Lane, Suite 1840
Oakbrook Terrace, IL 60515

3. All other terms from the Agreement remain in full force and effect.

VILLAGE OF DOWNERS GROVE

By: Mayor

ATTEST:

Village Clerk

3/mw/contracts/amendments/castleSTR1stamendment

**DOWNERS GROVE CARS, LLC
d/b/a Genesis of Downers Grove**

By: Castle of Chicagoland, LLC
Its: Manager



Joseph M. Castlebuono, Manager