



Village of Downers Grove

Report for the Village Council Meeting

Table 1 - Council Agenda item.

Subject	Resolution Approving Partial Assignment of Meadowbrook Redevelopment Project
Submitted By	Enza Petrarca, Village Attorney

Synopsis

A resolution has been prepared to authorize the assignment of a portion of the Meadowbrook Redevelopment Project and Redevelopment Agreement from the developer, Stellco 4300 Commerce, LLC, to L2 Equities, LLC.

Strategic Plan Alignment

The goals for 2025 – 2027 *include Steward of Financial, Environmental, and Neighborhood Sustainability and Exceptional Municipal Services.*

Fiscal Impact

N/A

Recommendation

Approval on the August 18, 2026 Consent Agenda.

Background

On March 18, 2025, Village Council passed an ordinance authorizing the execution of a redevelopment agreement with Stellco 4300 Commerce, LLC ("Stellco") for the redevelopment of the Meadowbrook Shopping Center, which is located at the southwest corner of Woodward Avenue and 63rd St. The redevelopment agreement provides that the Village will issue up to four notes to Stellco upon Stellco's successful completion of four separate development phases of the Meadowbrook Redevelopment Project, Phases A-D, with one note being issued per successfully completed development phase. The notes will be issued to reimburse Stellco for project redevelopment costs incurred in each phase of the redevelopment project. Stellco may complete the phases in any order so long as Phase A is completed first.

Pursuant to the Redevelopment Agreement, Stellco, as the developer, must be the entity to complete each of the development phases to be entitled to the corresponding notes, and Stellco may not assign any portion of the redevelopment project prior to December 31, 2029 without the prior approval of Village Council. On April 7, 2026, Village Council authorized Stellco to assign a portion of the redevelopment project, which was the transfer of an outlet to an alternative developer for the alternative developer's development of a car wash, and assign Stellco's obligations with respect to outlet and construction of the car wash.

Stellco intends to transfer ownership of a separate parcel located within the Meadowbrook Shopping Center, Lot 2, to a different developer, L2 Equities, LLC. Upon acceptance of the assignment, L2 Equities, LLC will be responsible for fulfilling all of Stellco's contractual obligations under the redevelopment agreement with respect to Lot 2. Stellco will still be able to eligible to receive a note for eligible project redevelopment costs expenses incurred in the development of Lot 2 so long as the impacted Phase is timely completed.

Attachments

Resolution

Assumption Agreement

Resolution No.

A Resolution Authorizing Execution of an Assumption and Assignment of a Portion of the Redevelopment Agreement and Project Between the Village of Downers Grove and Stellco 4300 Commerce, LLC to L2 Equities, LLC

WHEREAS, the Village of Downers Grove ("Village") is an Illinois municipal corporation possessing home rule powers under Section 6 of Article VII of the Illinois Constitution; and

WHEREAS, by passing the following ordinances, the Village of Downers Grove has undertaken to revitalize the area commonly referred to as the Meadowbrook Shopping Center Tax Increment Financing District ("TIF District") and in furtherance of that effort has adopted tax increment financing as a mechanism to spur economic development in the TIF District and to help finance some of the redevelopment costs involved with the revitalization project pursuant to the provisions of the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 et seq., as amended (the "TIF Act");

(a) Ordinance No. 6112, titled "An Ordinance of the Village of Downers Grove, DuPage County, Illinois, Approving the Meadowbrook Shopping Center Tax Increment Financing District Redevelopment Project Area Redevelopment Plan and Project;

(b) Ordinance No. 6113, titled "An Ordinance of the Village of Downers Grove, DuPage County, Illinois Designating the Meadowbrook Shopping Center Tax Increment Financing District Redevelopment Project Area;

(c) Ordinance No. 6114, titled "An Ordinance of the Village of Downers Grove, DuPage County, Illinois, Adopting Tax Increment Allocation Financing for the Meadowbrook Shopping Center Redevelopment Project Area"; and

WHEREAS, in furtherance of the stated redevelopment goals of the TIF District, and in accordance with the TIF Act, the Village passed Ordinance No. 6115, which approved an agreement governing the redevelopment of the TIF District ("Redevelopment Agreement") between the Village and Stellco 4300 Commerce, LLC ("Developer"), the redevelopment of which shall be referred to herein as the "Project"; and

WHEREAS, Developer desires to convey an outlot in the TIF District, Lot 2, and assign a portion the Redevelopment Agreement and Project related to the construction of an outlot building on Lot 2 to L2 Equities, LLC, which is a Separate Developer as defined by Section 7.8 of the Redevelopment Agreement ("Separate Developer"); and

WHEREAS, pursuant to Section 7.9 of the Redevelopment Agreement, Developer may not convey property in the TIF District or assign a portion of the Redevelopment Agreement and Project to a Separate Developer without the Village Council's prior written approval until December 31, 2029; and

WHEREAS, on April 6, 2026, Village Council approved the conveyance of a parcel of land in the TIF District and an assignment of a portion of the Redevelopment Agreement and Project by way of Resolution 2026-24, titled, "A Resolution Authorizing Execution of an Assignment of a Portion of the Redevelopment Agreement and Project Between the Village of Downers Grove and Stellco 4300 Commerce, LLC to CW Downers, LLC"; and

WHEREAS, the Village Council finds that the transfer from the Developer to the Separate Developer complies with the material terms of Section 7.9 of the Redevelopment Agreement; and

WHEREAS, the Village Council believes Separate Developer has the experience and financial ability necessary to fulfill the obligations undertaken by Developer with respect to the portion of the Redevelopment Agreement and Project to be transferred from Developer to Separate Developer; and

BE IT RESOLVED by the Village Council of the Village of Downers Grove, DuPage County, Illinois, as follows:

1. The foregoing recitals are incorporated into this Resolution as findings of the Village Council.
2. That the form and substance of a certain Assumption and Assignment of Redevelopment Agreement (the "Agreement"), between Developer and Separate Developer, which governs the assignment of a portion of the Project and Redevelopment Agreement as set forth in the form of the Agreement submitted to this meeting with the recommendation of the Village Manager is hereby approved.
3. That the Village Manager and Village Clerk are hereby respectively authorized and directed for and on behalf of the Village to execute, attest, seal the Agreement and the Estoppel Certificate Lot 2 In the Shoppes of Meadowbrook Subdivision together with such changes as the Manager shall deem necessary.
4. That the proper officials, agents and employees of the Village are hereby authorized and directed to take such further action as they may deem necessary or appropriate to perform all obligations and commitments of the Village in accordance with the provisions of the Agreement.
5. That all resolutions or parts of resolutions in conflict with the provisions of this Resolution are hereby repealed.
6. That this Resolution shall be in full force and effect from and after its passage as provided by law.

By: Mayor

Passed:

Published:

Attest:

By: Village Clerk

**ASSUMPTION AND ASSIGNMENT
OF REDEVELOPMENT AGREEMENT**

THIS ASSIGNMENT AND ASSUMPTION OF REDEVELOPMENT AGREEMENT

(this "Assignment") is dated as of ____ day of August, 2026 (the "Effective Date"), and is entered into by and between Stellco 4300 Commerce LLC, an Illinois Limited Liability Company ("Assignor") and L2 Equities (Downers Grove), LLC, an Illinois Limited Liability Company ("Assignee") (Assignor and Assignee maybe referred to herein individually as a "Party" or collectively, as the "Parties").

WHEREAS, the Village of Downers Grove ("Village") and Assignor entered into a Redevelopment Agreement dated April 8, 2025 (as it may be amended, modified or supplemented from time to time, the "Agreement"), regarding the redevelopment of the real property described on the attached Exhibit A ("Property"), which Agreement was recorded by the DuPage County Recorder of Deeds on April 14, 2025, as Document No. 2025-020890; and

WHEREAS, the Agreement imposes certain obligations upon Assignor with respect to the redevelopment of the Property and select portions thereof, which are defined in more detail in the Agreement; and

WHEREAS, the Agreement provides that the Village shall provide to Assignor certain fee waivers relative to the redevelopment of the Property and compensate Assignor for Assignor's timely completion of certain obligations, all of which are defined in more detail in the Agreement (collectively referred to herein as "Incentives"); and

WHEREAS, Assignor desires to sell to Assignee a portion of the Property, the description of which is set forth on the attached Exhibit B ("Lot 2"); and

WHEREAS, the Agreement requires that Assignor assign to Assignee all obligations of the Agreement with respect to Lot 2 as a condition precedent to the sale of Lot 2, and it is the intent of the Parties that Assignor shall retain all rights to payment, notes, and compensation, if any, and all fee waivers and/or reductions, if any, related to the development of Lot 2 in accord with the Agreement, provided that Assignee is entitled to 50% permit fee reductions under the Agreement for Assignee's work on Lot 2; and

WHEREAS, Assignee represents and warrants that it understands all obligations of the Agreement with respect to Lot 2 and explicitly agrees to accept the same as a condition of purchasing Lot 2; and

WHEREAS, Assignee agrees and acknowledges that it shall not be entitled to receive or recover from the Village any Incentives with respect to Assignee's redevelopment of Lot 2.

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants and agreements herein contained, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties do hereby agree as follows:

Section 1. The findings, representations and agreements set forth in the above Recitals are material to this Assignment and are hereby incorporated into and made a part of this Assignment as though fully set out in this Assignment.

Section 2. Assignor hereby assigns, transfers, and sets over to Assignee all of Assignor's right, title and interest in, to and under the Agreement to the extent applicable to Lot 2, except as follows: (a) Assignor does not assign to Assignee Assignor's right to receive reimbursement of eligible Redevelopment Project Costs, as defined in the Agreement, from the Village in accordance with Article 5 of the Agreement: (b) Assignor does not assign any responsibilities or rights related

to the extension of storm and sanitary utilities to serve Lot 2, to work related to the main shared shopping center sign, entrance and driveway work including curb and gutter east and south of Lot 2 and extending into Lot 2 to the point of Lot 2 development; and (c) Assignor reserves to itself installation of shopping center lighting, and grading to and slightly within the Lot 2 property lines which Assignee shall transition to grades appropriate under present civil engineering drawings to convey stormwater through drains and pipes.

Section 3. Assignee hereby accepts, assumes and agrees to perform all of the terms, covenants, conditions and obligations of the Assignor under the Agreement applicable to Lot 2, including but not limited to those obligations arising and accruing prior to, on and after the Effective Date of this Assumption and Assignment Agreement which are attributable to or relate to Lot 2.

Section 4. Assignor shall perform all of the terms, covenants, conditions and obligations of the Assignor under the Agreement which have not been otherwise previously assigned applicable to all portions of the Property other than Lot 2, except those items noted in Section 2, arising or accruing on and after the Effective Date.

Section 5. Assignor shall indemnify, defend and hold harmless Assignee from and against any and all claims, liabilities, costs and expenses (including without limitation, attorneys' fees) arising from the breach or default by Assignor of its obligations under the Agreement, to the extent such breach or default is not directly caused by Assignee.

Section 6. Assignee shall indemnify, defend and hold harmless Assignor from and against any and all claims, liabilities, costs and expenses (including without limitation, attorneys' fees) arising from the breach or default by Assignee of its obligations under the Agreement as set forth in Section 3 arising or accruing on and after the Effective Date, to the extent such breach or

default is not directly caused by Assignor.

Section 7. Assignee acknowledges and agrees that the Agreement does not authorize any permit fee waivers or permit fee reductions for tenants. Assignee remains entitled to the 50% permit fee reduction for Assignee's work on Lot 2. In accordance with Section 5.7 of the Agreement, the parties acknowledge that the Village may recover the remaining fifty percent (50%) of then-existing permit fees and other Village-ordained charges from the Meadowbrook Redevelopment Project Area Special Tax Allocation Fund regardless of whether Assignor or Assignee received the benefit of the 50% permit fee reduction, and that the parties shall be responsible for one hundred percent (100%) of all Village reimbursements relative to out-of-pocket expenses incurred by the Village.

Section 8. Assignee acknowledges and agrees that it is not entitled to any Incentives, other than the 50% permit fee reduction from the Village relative to Lot 2, subject to the terms of Section 5.7 of the Agreement. Further, Assignor acknowledges and agrees that it shall not be entitled to include in any requisition remitted to the Village any costs and expenses for work on Lot 2 that (a) are not Redevelopment Project Costs, as defined in the Agreement, (b) are incurred by either party in connection with the sale and/or redevelopment of Lot 2, including but not limited to land acquisition costs, marketing costs, or financing costs, and (c) are not segregated professional service costs and construction costs related to work on Lot 2 that qualifies as Redevelopment Project Costs. For the avoidance of doubt, the Village shall accept requisitions from Assignor that include Redevelopment Project Costs Assignor or Assignee incurs, or has incurred, but the Village shall not be required to include the Redevelopment Project Costs required to be excluded from incorporation into any requisition for work by Assignee when calculating any note due to be issued to Assignor in accordance with the Agreement..

Section 9. The parties hereby acknowledge and agree that the Village is a third-party beneficiary of this Assignment, and that the Village may enforce the terms hereof as if it were a party to this Assignment and Assumption Agreement. Further, the parties shall reasonably cooperate with the Village as set forth in the Agreement.

Section 10. This Assignment may be executed in several counterparts, each of which shall be an original and all of which shall constitute but one and the same instrument.

Section 11. This Assignment shall be governed by, and construed in accordance with, the laws of the State of Illinois without regard to principles of conflict of laws.

[signature page follows]

IN WITNESS WHEREOF, this Assignment is executed as of the date first written above.

ASSIGNOR:

Stellco 4300 Commerce LLC,
an Illinois limited liability company

By: Anthony J. Stella
Name: Anthony J. Stella
Its: Manager

ASSIGNEE:

L2 Equities (Downers Grove) LLC,
an Illinois limited liability company

By: [Signature]
Name: Joshua Whaley
Its: Member

CONSENT OF VILLAGE

The Village of Downers Grove hereby consents to the Assignment and Assumption of Redevelopment Agreement between Stellco 4300 Commerce LLC, an Illinois Limited Liability Company ("Assignor") and L2 Equities (Downers Grove) LLC, an Illinois Limited Liability Company ("Assignee").

VILLAGE OF DOWNERS GROVE,
an Illinois municipal corporation

By: _____

Name: _____

Title: _____

Attest: _____

Its: _____ Village Clerk

Date: _____, 2026

EXHIBIT A**DESCRIPTION OF PROPERTY**

LOTS 1, 2, 3, 4, 5, AND 6 IN THE SHOPPES OF MEADOWBROOK SUBDIVISION RECORDED AS DOCUMENT NUMBER R2025-048452, BEING A SUBDIVISION OF LOTS 1, 2 AND 3 IN MEADOWBROOK SUBDIVISION RECORDED AS DOCUMENT NO. R1973-005824 AND LOT 5 AND THE SOUTH 15.00 FEET OF LOT 4 IN VALLEY CREEK PARK ESTATES UNIT 1, RECORDED AS DOCUMENT NO. R1957-866856 IN THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN IN DUPAGE COUNTY, ILLINOIS.

EXHIBIT B**DESCRIPTION OF LOT 2**

LOT 2 IN THE SHOPPES OF MEADOWBROOK SUBDIVISION RECORDED AS DOCUMENT NUMBER R2025-048452, BEING A SUBDIVISION OF LOTS 1, 2 AND 3 IN MEADOWBROOK SUBDIVISION RECORDED AS DOCUMENT NO. R1973-005824 AND LOT 5 AND THE SOUTH 15.00 FEET OF LOT 4 IN VALLEY CREEK PARK ESTATES UNIT 1, RECORDED AS DOCUMENT NO. R1957-866856 IN THE NORTHEAST 1/4 OF SECTION 24, TOWNSHIP 38 NORTH, RANGE 10, EAST OF THE THIRD PRINCIPAL MERIDIAN IN DUPAGE COUNTY, ILLINOIS.

ESTOPPEL CERTIFICATE
LOT 2 IN THE SHOPPES OF MEADOWBROOK RESUBDIVISION

TRANSFER OF LOT 2 FROM STELLCO 4300 COMMERCE LLC
TO L2 EQUITIES LLC

DAVID FIELDMAN, in his authorized capacity as Village Manager for the Village of Downers Grove, a home rule Illinois municipal corporation, executes this Estoppel Certificate on this ____ day of _____ 2026, and does so pursuant to powers vested in him and in the Village under the Downers Grove Municipal Code as well as the Redevelopment Agreement (Meadowbrook Redevelopment Project Area) approved by the Village Council via Ordinance No. 6115 on April 8, 2025 recorded with the DuPage County Recorder of Deeds on April 14, 2025 as Document No. 2025-020890 (the “Redevelopment Agreement”), as follows:

1. The Redevelopment Agreement remains in full force and effect as of the date of this Estoppel Certificate.
2. The Village presently has no information or knowledge of any circumstance that is or would be a default under the Redevelopment Agreement.
3. The Village has not assigned rights or obligations under the Redevelopment Agreement.
4. The Village has not issued notice of default under the Redevelopment Agreement, and it is aware of no action or inaction of the “Developer” as defined therein, particularly, Stellco 4300 Commerce LLC (“Stellco”), upon which any notice of default or otherwise could issue from the Village to Stellco.
5. To the Village’s knowledge, with respect to any designation, plan, agreement, authorization, approval or subdivision in the Meadowbrook Redevelopment Project Area or the Property (as these terms are defined in Article Two of the Redevelopment Agreement), there has been no judicial or other challenge to the terms of the Redevelopment Agreement or to any of the ordinances and resolutions adopted in support thereof or in relation thereto, including those adopted pursuant to the Tax Increment Allocation Redevelopment Act, 65 ILCS 5/11-74.4-1 *et seq.*, or the Downers Grove Municipal Code or exercise of home rule authority otherwise.
6. Based upon the representations made by Stellco concerning its relationship with L2 Equities LLC, an Illinois limited liability company, and L2 Equities (Downers Grove) LLC, a special purpose limited liability company affiliated with L2 Equities LLC (collectively “L2”) in connection with Stellco’s request to sell a portion of the Property to L2, L2 is not a Permitted Transferee and is thereby a Separate Developer as these terms are defined in the Redevelopment Agreement.
7. In accordance with Section 7.9 of the Redevelopment Agreement, all material instruments and legal documents involved and affecting any such transfer from Developer to L2 shall be submitted to the Village Council for its prior approval, and no

transfer shall be effective until the Village Council has authorized the Village Manager to execute said material instruments and legal documents.

8. Except with respect to that certain Assumption and Assignment of Redevelopment Agreement dated April 7, 2026 by and between Stellco and CW Downers, LLC, an Illinois limited liability company, relating to Lot 1 of the Property, the Village is aware of no other assignment of rights or obligations of Stellco under the Redevelopment Agreement.
9. The Village acknowledges that upon execution of of the Assignment and Assumption Agreement between Stellco and L2 Equities (Downers Grove) LLC (collectively, the “Developers”), the Developers will be eligible for the reduction in permit fees for work on Lot 2 in accordance with Section 5.7 of the Redevelopment Agreement.
10. Upon the completion of the following conditions, the Village certifies that consummation of the transaction by and between L2 Equities (Downers Grove) LLC and Stellco, as represented to the Village by Stellco, will not constitute a default of or substantially interfere with the Redevelopment Agreement:
 - a. L2 shall submit to the Village, for its review and approval, the same financial documents that were required of Stellco to evidence its experience and financial ability necessary to fulfill the obligations undertaken in connection with the portion of the Property (as defined in the Redevelopment Agreement) intended to be transferred from Stellco to L2;
 - b. Stellco shall execute and record covenants, conditions and restrictions applicable to the Property, such covenants, conditions and restrictions to be approved by the Village Manager in the Village’s exercise of its reasonable discretion;
 - c. L2 Equities (Downers Grove) LLC shall provide an acknowledgement of the Redevelopment Agreement, its review thereof, and a covenant that it will not act contrary to any obligations of Stellco under the Redevelopment Agreement, including but limited to any terms governing reporting of retail or other sales taxes generated by its operations to the Village and relevant State of Illinois agencies;
 - d. In accordance with Section 7.9(d) of the Redevelopment Agreement, L2 Equities (Downers Grove) LLC and Stellco shall execute an assumption and assignment agreement in a form approved by the Village; and
 - e. Stellco and L2 Equities (Downers Grove) LLC shall provide an estoppel certificate confirming that L2 and Stellco are not aware of any fact or circumstance constituting a default or providing cause to issue notice of default, by or to the Village under any term of the Redevelopment Agreement.
11. Upon completion of the conditions set forth above in paragraph 9 hereof, the Village Council shall approve the sale of Lot 2 to L2 Equities (Downers Grove) LLC and

authorize the Village Manager to execute all required documents necessary to effectuate such sale.

[signature page follows]

Pursuant to authority and direction of the Village Council under Section 15.18 of the Redevelopment Agreement, the Village Manager executes this Estoppel Certificate.

David Fieldman, Village Manager
Village of Downers Grove

Dated: _____

STATE OF ILLINOIS)
) ss.
COUNTY OF DUPAGE)

I, _____, a Notary Public in and for the above State and County, ___, that David Fieldman, in his capacity as Village Manager of the Village of Downers Grove, appeared before me on this ___ day of _____, 2026, and identified to me as such person and acting in such capacity, and that _____, as witness, executed this Estoppel and Certificate in their respective capacities for the Village of Downers Grove, of their free and voluntary act, and as the free and voluntary act of the Village of Downers Grove for the uses and purposes set forth herein.

Notary Public

My Commission Expires:
(stamp)