

MEMORANDUM OF UNDERSTANDING
BETWEEN
LEE COUNTY BOARD AND LEE COUNTY TOURISM
FOR
TERMS OF DISSOLUTION OF LEE COUNTY TOURISM

This Memorandum of Understanding, hereinafter referred to as “MOU”, entered into this ____ day of _____, 2023, by and between the Lee County Board, a political subdivision of the State of Illinois, hereinafter referred to as “BOARD”, and the Lee County Tourism Council, a not-for-profit organization which promotes tourism in Lee County, Illinois, hereinafter referred to as “COUNCIL”, sets forth the terms and understanding between the parties.

WHEREAS, pursuant to 55 ILCS 5/5-1030 the BOARD on June 15, 1993, levied and imposed a Hotel Tax at the rate of five percent (5%) of the gross rental receipts from the renting, leasing or letting rooms in a twenty-four (24) hour period or portion thereof; and

WHEREAS, upon receipt of hotel tax monies, the Lee County Treasurer assesses a fee of one and one-half percent (1 1/2%) for the purpose of administration and transfers fifty percent (50%) of the remaining amount to the COUNCIL for the promotion of Lee County lodging, restaurants, attractions, conventions, expositions, and theatrical, sport, cultural and other similar activities; and

WHEREAS, pursuant to a December 2, 2004, intergovernmental agreement with the City of Dixon the remaining fifty percent (50%) is transferred to the City of Dixon; and

WHEREAS, on May 10, 2023, the City of Dixon formally notified Lee County in writing of its intent to withdraw from the intergovernmental agreement effective on November 30, 2023; and

WHEREAS, the BOARD having reviewed the financial impact of the withdrawal of the City of Dixon, is compelled to revise the existing method of promoting tourism in Lee County based on the reduction of available Hotel Tax funds; and

WHEREAS, the revised method of promoting tourism will result in the dissolution of the Lee County Tourism Council; and

WHEREAS, the dissolution of the Lee County Tourism Council is addressed in Article VIII of the Lee County Tourism By-laws as follows: *“In the event this [Tourism] organization dissolves its operation by vote, or ceases to perform as a functioning organization, all records and other materials shall be delivered to the office of the Chairman of the Lee County Board and further all agencies shall be notified of said dissolution. All funds and financial records and other property shall become the property of the County of Lee, State of Illinois.”*

NOW THEREFORE, and in consideration of mutual covenants herein made and pursuant to all applicable statutes and local ordinance, and for other good and valuable consideration, the receipt and sufficiency of which are hereby mutually acknowledged,

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the Parties do hereby set forth the terms and understanding between the BOARD and the COUNCIL for the dissolution of the Lee County Tourism Council as follows:

SECTION 1: RECITALS. The following recitals are by this reference incorporated herein and made a part hereof.

SECTION 2: EFFECTIVE DATE AND TERM. This MOU shall commence upon execution by both parties and shall remain in full force and effect until all necessary steps of dissolution are completed, but no later than February 29, 2024.

SECTION 3: RESPONSIBILITIES OF THE PARTIES. The BOARD and COUNCIL will be responsible for performing the tasks outlined in Exhibit A.

SECTION 4: COMPENSATION FOR ADDITIONAL DUTIES. Upon approval by the COUNCIL and with the knowledge and consent of the BOARD, the Executive Director of the Lee County Tourism Council will be compensated in the amount of \$5,000 for the additional duties related to the dissolution of the Lee County Tourism Council outlined in Exhibit A.

SECTION 5: FUNDS, FINANCIAL RECORDS, AND OTHER PROPERTY. Pursuant to the current Title 3, Chapter 2 (Hotel Tax) of the Lee County IL Code of Ordinances, the BOARD agrees to transfer 50% of the Hotel Tax, less the one and one-half percent (1.5%) administrative fee, to the COUNCIL up to and including the tax collected for the month of August 2023. The COUNCIL agrees to transfer, and the BOARD agrees to accept all funds, financial records, and other property remaining, upon the dissolution of the Lee County Tourism Council.

SECTION 6: LEE COUNTY TOURISM COUNCIL WEBSITE. The COUNCIL agrees to authorize the transfer, and the BOARD agrees to accept, the existing Lee County Tourism website under the domain names of Leecountyfun.com and Leecountytourism.com. The BOARD will contract directly with Stahr Media, 112 W. Second Street, Rock Falls, Illinois, to determine the appropriate services for the transfer of the website. The BOARD further understands there will be a fee from Stahr Media for these services.

SECTION 7: INDEMNITY. Pursuant to 50 ILCS 750/15.1, the BOARD and COUNCIL, and any carrier, officer, employee, assign, or agents thereof, shall not be liable for any civil damages or criminal liability that directly or indirectly result from, or is caused by, any act or omission in the development, design, installation, operation, maintenance, performance, or provision of this service. To the extent of any alleged willful and wanton misconduct by the BOARD, the COUNCIL agrees to hold harmless, indemnify and defend the BOARD from any and all claims, demands, liabilities, and suits in law and equity that may arise from COUNCIL performance of this MOU. To the extent of any alleged willful or wanton misconduct by the County, the BOARD agrees to hold harmless,

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indemnify and defend COUNCIL from any and all claims, demands, liabilities, and suits in law or in equity that may arise from or out of the provision of performance of this MOU.

SECTION 8: AMENDMENTS; WAIVERS. This MOU may not be amended, modified or waived in any respect except by written agreement expressly referring to this MOU and duly and validly authorized, executed, and delivered by all Parties hereto.

SECTION 9: ENFORCEMENT. The Parties hereto may, in law or in equity, by suit, action or mandamus, or any other proceeding, including, without limitation, specific performance, enforce or compel the performance of the MOU; provided, however, that the Lee County Board agrees that it shall not seek, and does not under any circumstances, have the right to seek, to recover any judgment for monetary damages against the COUNCIL or COUNCIL member, elected or appointed officials, agents, representatives, attorneys, or employees on account of the negotiation, execution, performance or breach of any of the terms or conditions of this MOU, except in the event that the any of the above agencies have willfully and/or maliciously failed and refused to provide Services in accordance with the terms of this MOU. In the event of a judicial proceeding, brought by any of the parties to this MOU, against any other Party for enforcement, or for breach of any provision of this MOU, the prevailing party in such judicial proceeding shall be entitled to reimbursement from the unsuccessful party of all costs and expenses, including reasonable attorney's fees, incurred in connection with said judicial proceeding.

SECTION 10: NOTICE. Any notice substantially affecting the terms or conditions of this MOU shall be in writing and sent by USPS mail to the respective addresses set forth below:

BOARD: Lee County Board Chairman
112 E. Second Street
Dixon, IL 61021

COUNCIL: Lee County Tourism Council
37 S. East Ave., P.O. Box 296
Amboy, IL 61310

By notice complying with the foregoing requirements of Section 10, each party shall have the right to change the addressee or other information for all future notices and communications to such party, but no notice of such change of address shall be effective until actually received.

SECTION 11: ENTIRE AGREEMENT. This MOU contains all of the terms and conditions agreed upon by the parties hereto and no other agreements, oral or

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otherwise, regarding the subject matter of this MOU shall be deemed to exist or to bind either of the parties hereto. In addition, this MOU shall supersede in its entirety any and all prior agreements, promises, representations, understandings and negotiations of the parties, whether oral or written, concerning the same subject matter. Any and all acts which may have already been consummated pursuant to the terms and conditions of this MOU are hereby ratified.

SECTION 12: EXECUTION OF MOU. Each person executing this MOU represents and warrants that he or she is duly authorized and has legal authority to execute and deliver this MOU. Each party represents and warrants to the other that the execution and delivery of this MOU and the performance of such party's obligations hereunder have been duly authorized.

IN WITNESS WHEREOF, the parties hereto have entered into this MOU as of the first date written above.

LEE COUNTY BOARD

Lee County Board Chairman

Date

ATTEST:

County Clerk

Date

LEE COUNTY TOURISM COUNCIL

Lee County Tourism Council Board President

Date

ATTEST:

Council Secretary

Date

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EXHIBIT A
RESPONSIBILITIES OF THE PARTIES

Responsibilities of Lee County Tourism (COUNCIL AND/OR EXECUTIVE DIRECTOR):

1. Review records and files dating back to the start-up of the Lee County Tourism Council in 1988. Retain those that would be of benefit or importance to groups, organizations, or communities, and send, distribute or deliver them to the appropriate individual or office.
2. Retain, and box all financial and business records from 2019 – 2023 for retention by the Lee County Board Chair.
3. Prepare all financial records necessary for the preparation and filing of the 2023 Federal and State income taxes. Provide consultation as needed to McFalls, Burge & Associates (CPA) to complete the tax filing.
4. Notify all tourism agencies, towns/villages, and event contacts deemed relevant.
5. Notify all business contacts, suppliers, and vendor accounts and, if necessary, terminate as of the effective date of dissolution.
6. Notify the United States Postal Service of the following forwarding address, effective as of the effective date of dissolution: Lee County Board Chair, 112 E. Second Street, Dixon, IL, 61021.
7. Terminate any/all business insurance as of the effective date of termination, including workman's comp insurance.
8. Transfer all funds remaining in the Lee County Tourism Council accounts to Lee County and close financial accounts upon all checks clearing the accounts, no later than February 29, 2024.
9. Prepare and execute a plan to vacate the current rented office space according to a mutually agreed upon timeframe between the landlord and the lessee, but no later than 12-31-2023.
 - a. Make arrangements for all furniture and office equipment to be removed from the rented space. Consult with the Lee County Administrator regarding any surplus equipment and/or furniture that may be usable by Lee County.
10. Complete the necessary documents to dissolve the Lee County Tourism Corporation and file them with the Illinois Secretary of State.

Responsibilities of Lee County Board:

1. Provide timely responses to questions on the process, expectations, retention of financial, business, and historical records and the surplus furniture/equipment.
2. Provide moving/transportation of all records and surplus equipment/furniture retained by Lee County.
3. Document the receipt of all funds, records, and surplus equipment/furniture.