



August 16, 2016

Mr. Steve Gulden
Village Manager
Village of Romeoville
1050 West Romeo Road
Romeoville, Illinois 60446

RE: Letter of Agreement – Village of Romeoville Laidlow Study Area

Dear Mr. Gulden:

Kane, McKenna and Associates, Inc. ("KMA") is prepared to assist the Village of Romeoville (the "Village") regarding professional services associated with the review and analysis of a proposed redevelopment project area for property to be located within the Village and generally located near the intersection of Route 53 and Joliet Road (the "Project" or the "Laidlow Project").

PHASE I - PREPARE PRELIMINARY TIF ELIGIBILITY AND RELATED TIF REVENUE REVIEW

- (1) Assist the Village in investigating the desirability and feasibility of utilizing Tax Increment Financing ("TIF") or other appropriate economic development incentives for funding certain redevelopment costs related to redevelopment of the Project(s).
- (2) Prepare preliminary estimates of tax increment revenues and supportable public assistance.
- (3) Review the characteristics of the Project site(s) in order to recommend the specific boundaries for a TIF district or related economic development programs, and to assess the potential qualification factors (strengths and weaknesses) of any identified area under Illinois law.
- (4) Prepare a preliminary analysis which assesses the pros and cons of pursuing TIF or other forms of economic incentives.

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At a minimum, the Report will include the following:

- a. Review area for land use and conditions and summarize results.
 - b. Establish preliminary project boundaries.
 - c. Determine area qualifications for a potential TIF District(s).
 - d. Prepare survey analysis and identify necessary documentation to back up any findings.
- (5) In the event that other local financing programs or economic development tools are complimentary to or alternatives to TIF, KMA would identify programs and a strategy for implementing them and any conditions for their use in connection with the Project.
- (6) For presentation to the Village, prepare the initial tax revenue projections and prepare related financing alternatives. Identify potentially eligible public improvements and other activities as well as potential public financing options.

Estimated costs for tasks 1) to 6) are \$12,500 to \$17,500 – depending upon the determination of boundaries and the number of tax parcels, and potential Village assistance as described below.

In the event that the Village staff provides information regarding the following TIF Eligibility/Study Area components and as described below, the costs could be reduced from the top end of the range.

- a) Assembly of County or Township Assessor tax parcel data including six (6) year trend analysis of Equalized Assessed Valuation (EAV) data.
- b) Assembly of Township Assessor data regarding age of structures, property classification, lot/building size, and tax code information for each tax parcel.
- c) Review and assembly of building code violation data, status of infrastructure conditions, environmental/remediation studies, and chronology of vacancies, could also assist in the eligibility review. Assembly of information relating to vacant land uses would also be helpful in the eligibility determination.

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PHASE II - COMPLETE REDEVELOPMENT PLAN AND PROJECT

Upon Village direction, KMA will complete the redevelopment plan and project as required by law for the implementation of a TIF District or other economic development programs. Among other elements the redevelopment plan prepared will include:

- (1) A statement of redevelopment goals and objectives.
- (2) Examination of qualification factors and presentation of rationale for basis under which the TIF District or other economic development programs are to be justified under State law.
- (3) A statement of eligible redevelopment activities the Village may implement under the plan.
- (4) Presentation of estimated costs for the redevelopment projects contemplated for implementation under the plan.
- (5) A detailed discussion of impediments to the successful redevelopment of the Project area and the measures the Village could undertake to eliminate such barriers to promote economic revitalization within the Project area.
- (6) Assist Village by participating in required public hearings, Joint Review Board meetings or other required meetings, as well as helping to insure preparation and execution of proper notification as required for all meetings.
- (7) Assist the Village by participating in meetings with all interested and affected parties, including property owners, and overlapping tax jurisdictions. KMA will help Village to follow the procedures for such gatherings as required by State law.
- (8) Work with the Village's counsel to meet all the requirements of Illinois law so to insure proper amendment and/or establishment of the TIF District or other economic development programs.

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- (9) Assist Village's counsel in preparation of the appropriate ordinances required for adoption of the redevelopment plan and project by the Village whether amending and/or implementing a TIF District or other economic development programs.
- (10) Assist Village to establish and maintain complete documentation files to assure proper support of eligibility findings in order to provide legal standing for amending and/or implementation of a TIF District or other economic development programs.

Estimated cost of Phase II is \$17,500 to \$20,000.

KMA does not expect to incur any expenses in connection with the assignments. If incurred, they would not exceed \$2,500. Total costs for Phase I and Phase II with any expenses will not exceed \$40,000, regardless of whether there are 1 or 2 TIF Districts formed.

PHASE III - REDEVELOPMENT AGREEMENTS, PLAN AND PROJECT IMPLEMENTATION (If requested by Village)

KMA will assist the Village, as requested, in the implementation of a strategy to facilitate financing for projects using TIF or other economic development programs. Services that will be provided include:

- (1) Arrange and attend meetings with the Village pertinent to the negotiation of any redevelopment agreements or projects.
- (2) Provide assistance and information necessary for resolution of any redevelopment agreement related issues faced by the Village.
- (3) Work with the Village regarding the most feasible economic public financing strategy for any public improvements or other needs in the proposed Project. Work with Village regarding preparation of "But For" arguments related to potential development proposals under the TIF or other economic development programs.
- (4) Assist the Village in drafting and/or redrafting any redevelopment agreements for presentation and negotiations with the Village and otherwise perform all duties necessary to facilitate any required agreements on behalf of Village.
- (5) Estimate anticipated incremental revenue projections to be generated from potential development projects and judge whether such revenues are reasonable, feasible and are based on acceptable assumptions given each development Project's characteristics and potential.

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- (6) Provide the Village with recommendations regarding proposed revenue/costs projections and the potential funding advantages and disadvantages of various public financing strategies.

No estimate may be given of Phase III costs at this time.

COMPENSATION FOR SERVICES

The Village shall be billed monthly for services at the following rates per hour:

<u>Personnel</u>	<u>Hourly Rates</u>
President	\$200.00/Hour
Executive Vice President	\$175.00/Hour
Officers	\$150.00/Hour
Associates	\$100.00/Hour
Research	\$ 60.00/Hour
Administrative	\$ 25.00/Hour

Either party may cancel this contract upon three (3) days written notice.

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Expenses billed and paid in connection with this matter previously are hereby approved and are included in the cost + estimates and not exceed amounts set fourth herein.

Please indicate Village's acceptance of this Agreement by executing the original and copy, and by returning the original to us. We look forward to working with you on this project.

Sincerely,

Philip R. McKenna
President

AGREED TO:

Philip R. McKenna, President
Kane, McKenna and Associates, Inc.

8-16-16

Date

Village of Romeoville

Date