

November 20, 2019



Mr. Martin Lyons
Finance Director/Treasurer
City of Aurora
44 E. Downer Place
Aurora, Illinois 60605

**RE: Letter of Agreement – City of Aurora Proposed Galena Lake (Hobbs Building)
TIF District Review/Implementation and Amendment of the Downtown TIF**

Dear Mr. Lyons:

Kane, McKenna and Associates, Inc. ("KMA") is prepared to assist the City of Aurora (the "City") regarding professional services associated with the review and analysis of proposed redevelopment projects for property located within the City's Downtown area (the "Projects").

TASK 1 – PRELIMINARY NEW TIF AND RELATED FISCAL IMPACT REVIEW

- (1) Assist the City 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.
- (2) Prepare preliminary estimates of tax increment revenues and supportable public assistance.
- (3) Review the characteristics of the Project site 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.

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- (4) Prepare a Preliminary analysis which assesses the pros and cons of pursuing TIF or other forms of economic incentives.

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.
 - 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 City, 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 Task 1 are \$7,500 to \$10,500.

TASK 2 – COMPLETE NEW REDEVELOPMENT PLAN AND PROJECT

Under City direction complete the redevelopment plan and project required by the TIF law. Among other elements the redevelopment plan prepared for the Proposed TIF District will include:

- (1) A statement of redevelopment goals and objectives.
- (2) Examination of TIF qualification factors and presentation of rationale for basis under which the TIF District is to be justified under State law.
- (3) A statement of eligible redevelopment activities the City may allow under the plan.
- (4) Presentation of estimated costs for the redevelopment projects contemplated for implementation under the plan.

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- (5) A detailed discussion of impediments to the successful redevelopment of the project area and the measures the CITY could undertake to eliminate such barriers so to promote economic revitalization of the project area.
- (6) Assist the City by participating in required public hearings, and Joint Review Board meetings, as well as helping to insure preparation and execution of proper notification as required for all meetings.
- (7) Assist the City in participating in meetings with all interested and affected parties, including property owners, and overlapping tax jurisdictions. KMA will help the City to follow the procedures for such gatherings as required by State law.
- (8) Work with the City's counsel to meet all the requirements of Illinois law so to insure proper establishment of the TIF District.
- (9) Assist City's counsel in preparation of the appropriate Ordinances required for adoption of the redevelopment plan and project by the City to legally put in place the TIF District.
- (10) Assist the City to establish and maintain complete documentation files to assure proper support of eligibility findings in order to support legal standing for establishment of the TIF District.

Estimated costs for Task 2 are \$17,000 to \$20,000.

TASK 3 – PREPARE AMENDED REDEVELOPMENT PLAN SECTIONS FOR THE CITY'S DOWNTON TIF

- (1) Review with the City the preliminary boundaries for the plan as well as redevelopment goals and objectives.
- (2) Prepare Amended Plan sections including new legal description, and maps.
- (3) Coordinate notices with the City attorney.

Estimated costs for Task 3 are \$2,500 to \$3,500.

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COMPENSATION FOR SERVICES

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

<u>Personnel</u>	<u>Hourly Rates</u>
Chairman/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.

Please note that hourly billings do not include out of pockets for newspaper publications, large mailings, and the preparation of the legal descriptions.



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Please indicate City'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,




Robert Rychlicki
President



Charles Durham
Executive Vice President

AGREED TO:



Robert Rychlicki, President
Kane, McKenna and Associates, Inc.

11/20/19

Date

City of Aurora

Date